AGENDA

GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 12

Notice is hereby given that the Board of Directors of Galveston County Municipal Utility District No. 12 of Galveston County, Texas, will hold a regular meeting, open to the public, on **Monday, August 17, 2026 at 6:00 p.m.** at 2929 Highway 6, Bayou Vista, Texas, within the boundaries of the District, for the purposes of considering and acting upon the following matters:

1. Public comments (agenda items only - 3 minutes allotted time per speaker).

2. Approve minutes and official records of previous Board of Directors meeting.

3. Financial Advisor's Report, including:
   (a) approve tax rate analysis for 2026;
   (b) consider tax rate for 2026; and
   (c) call public hearing regarding 2026 tax rate and approve publication of notice for same.

4. Bookkeeper's Report, including:
   (a) authorize payment of the District's bills.

5. Operator's Report, including:
   (a) termination of service to delinquent accounts;
   (b) status of meter replacement project, including inventory and prioritization;
   (c) status of Booster Pumps Replacement Project;
   (d) approve maintenance proposals, as necessary; and
   (e) approve Addendum to Operator's Contract.

6. Engineer's Report, including:
   (a) status of bulkhead replacement project;
   (b) status of potential mitigation project funding for generator project;
   (c) status of Water Plant relocation project, including site design plan;
   (d) approve pay estimates, change orders, or easements, as necessary; and
   (e) authorize advertisements for bids and approve recommendations of award and contracts, as necessary.

7. General District Management Items.

8. Attorney's Report, including:
   (a) approve Resolution on Development Status of the District under Texas Water Code, Section 49.23602.

9. Public comments.

10. Such other matters as may come before the Board.

If, during the course of the meeting covered by this Notice, the Board should determine that a closed or executive session of the Board should be held or is required in relation to any agenda item included in this Notice, then such closed or executive meeting or session, as authorized by the Texas Open Meetings Act, Texas Government Code, Chapter 551, as amended (the "Act"), will be held by the Board at the date, hour, and place given in this Notice concerning any and all subjects for any and all purposes permitted by Subchapter D of said Act. Persons with disabilities who plan to attend this meeting and would like to request auxiliary aids or services are requested to contact the District's attorney at (713) 651-0111 at least three business days prior to the meeting so that appropriate arrangements can be made.

EXECUTED THIS on the 12th day of July 2026.

GALVESTON COUNTY MUNICIPAL
UTILITY DISTRICT NO. 12

(SEAL)

Michael P. Bacon
Coats Rose, P.C.
Attorney for the District

GALVESTON COUNTY MUD # 12
TAXPAYER IMPACT STATEMENT

	CURRENT BUDGET FISCAL YEAR ENDING 2025**	PROPOSED BUDGET FISCAL YEAR ENDING 2026**	NO NEW REVENUE TAX RATE BUDGET***
ESTIMATED DISTRICT OPERATIONS & MAINTENANCE TAX BILL ON AVERAGE HOMESTEAD*	$ 482.79	$ 521.41	$ 482.79

*The District levies taxers in accordance with the Texas Water Code. The District's current operations and maintenance tax rate is equal to $.150172 per $100 of assessed value. Average homestead values are determined by the county appraisal district. All estimates above were prepared utilizing the average resident homestead value as of the time that the District's most recent Truth and Taxation worksheet was prepared in accordance with the Texas Water Code.

**Average tax bill estimates for the current and proposed budgets reflect those rates necessary to fund the operations and maintenance tax revenues stated in the applicable budget.

***This column estimates the operations and maintenance taxes to be paid on the average homestead if the proposed budget generates the same amount of operations and maintenance tax revenues as the current budget.

Galveston County MUD 12 General Operating
Dated 08-07-26

PRELIMINARY PROPOSED BUDGET FOR FISCAL YEAR ENDED 09-30-27

Account	Description	9 Months Actual 2025-2026	Projected 12 Months 2025-2026	Projected Variance 2025-2026	Budget as Approved 2025-2026	Preliminary Budget 2026--2027 2026-2027	Notes
INCOME							
400	Water Billings	345,685	475,913	15,913	460,000	470,000	
401	Water Tap Fees			(1,250)	1,250	1,250	
402	Sewer Billings	467,741	623,655	23,655	600,000	618,000	
403	Sewer Tap Fees			-	-	-	
405	Late Fees	27,555	36,740	11,740	25,000	25,000	
407	Administrative Fee			-	-	-	
410	Tax M & O	725,639	743,639	23,639	720,000	756,000	max rate $.166073 100% collection on $455 million
421	City of BV - Rent2wwszz	14,850	18,600	-	18,600	6,200	$1550/month for 4 months only
430	Rental Income		1,000	-	1,000	1,000	
445	Reimbursements from Bond Proceeds			-	-	-	
460	Other Income	3,550	3,550	550	3,000	3,000	
470	Misc. Fees			-	-	-	
480	Services			-	-	-	
490	Invest. Interest	13,608	18,144	144	18,000	18,000	
	TOTAL INCOME	1,598,628	1,921,241	74,391	1,846,850	1,898,450	
EXPENSE WATER							
500	Water Purchases	139,163	185,551	24,449	210,000	210,000	
500.1	Accrued Water/True Up			-	-	-	
501	Water Chemicals - HTH-CL2	695	927	7,073	8,000	8,000	
502	Water Utilities	7,389	9,852	18,148	28,000	25,000	
503	Water Line Repair	253,054	397,405	(197,405)	200,000	200,000	Per Operator
503.4	· Equipment	21,417	28,556	1,444	30,000	30,000	
503.03	· Electrical			10,000	10,000	10,000	
503.1	Maint. Water Tanks	1,700	2,267	7,733	10,000	10,000	
503.11	Dress Up			30,000	30,000	-	
503.2	Water - inspections			-	-	-	
503.3	Water Supplies			10,000	10,000	10,000	
503.5	Water - equipment pumps			-	-	-	
504	Lead/Copper Test		4,000	-	4,000	4,000	
505	Water Tests	18,747	24,996	4	25,000	25,000	
506	Water Tap Expense			15,000	15,000	15,000	
507	Meter Installation	517,780	517,780	(267,780)	250,000	-	Per Operator
508	GCWA 39" line			-	-	-	
509	Water Plant Repairs			10,000	10,000	10,000	
511	Other - Water	160,872	214,496	(114,496)	100,000	150,000	
	TOTAL EXPENSE WATER	1,120,817	1,385,829	(445,829)	940,000	707,000	
EXPENSE SEWER							
520	Sewer Chemicals	16,083	21,444	(19,444)	2,000	20,000	
522.4	Supplies			-	-	-	
526.1	Sewer Main Clean	2,564	5,000	-	5,000	5,000	
523	STP Permits	-		-	-	-	
522	Sewer Line Repair	-	15,000	-	15,000	15,000	
520.1	· HTH – CL2	12,049	16,065	3,935	20,000	20,000	
522.1	Sewer Plant Repair	12,873	17,164	7,836	25,000	20,000	
521	Utilities-L/S	5,852	7,803	(803)	7,000	8,000	
522.2	Sewer Plant Equip.	37,671	50,228	(30,228)	20,000	20,000	
522.3	Sewer - Lift Station	22,237	29,649	(9,649)	20,000	20,000	
524	Sewer Tests-STP	-	8,000	-	8,000	8,000	
525	Sewer Tap Expense			-	-	-	
526	Sludge Removal	-	5,000	30,000	35,000	10,000	
521.1	Sewer Utilities-STP	14,562	19,416	584	20,000	22,000	
529	Sewer - Solid Waste	183,626	244,835	(34,835)	210,000	250,000	
528	Sewer - Other	-	10,000	10,000	20,000	20,000	
530	Permit & Fees		1,000	-	*1,000*	1,000	
	TOTAL EXPENSE SEWER	307,517	450,604	(42,604)	408,000	439,000	
GENERAL OPERATING							
580	Operator Fees-Benry	94,808	126,411	10,389	136,800	136,800	
557	Workers' Comp.			-	-	-	
560	Other Expenses		5,000	-	5,000	5,000	
562	Small Tools			1,500	1,500	1,500	
567	Plant Insurance	16,760	22,347	3,903	26,250	26,250	
569.4	Automobile Liab Ins	594	594	(594)	-	600	
571	Engineer	47,860	63,813	(18,813)	45,000	25,000	for general engineering
575	Telephone/Comm	10,148	13,531	(5,731)	7,800	13,000	
576	Fire Hydrants			10,000	10,000	10,000	

577	Lawn Maint.	11,000	14,667	(3,867)	10,800	12,000	
	TOTAL GENERAL OPERATING	181,170	246,362	(3,212)	243,150	230,150	
ADMIN. EXPENSES							
605	Retirement/Incentive	1,623	4,699	(799)	3,900	4,920	
606	Payroll Taxes	5,433	5,991	(991)	5,000	6,273	
605.1	Group Health Insurance			-	-	-	
607	Salaries-Admin. Asst. - Perales	58,739	78,319	(13,319)	65,000	82,000	
609.1	Flood Ins-2929 Hwy 6	15,660	15,660	(11,160)	4,500	4,500	
609.11	Texas Windstorm Ins	32,226	32,226	2,974	35,200	35,200	
610.1	Workers' Comp.	1,075	1,075	(75)	1,000	1,000	
611	Gen Liab Ins	1,103	1,103	(3)	1,100	1,100	
612	Bank charges	204	204	296	500	500	
613	Miscellaneous Exp	-	1,000	-	1,000	1,000	
622	Utilities	-					
622.1	Electricity	6,534	8,712	(712)	8,000	9,000	
622.2	Mud Water bill	397	529	71	600	600	
622.3	Mud Gas Bill	668	891	109	1,000	1,000	
641	Repair & Maint.Offices	37,555	42,555	(32,555)	10,000	20,000	
642	Hall Expenses	1,925	2,567	3,433	6,000	6,000	
650	Directors Insurance		1,200	-	1,200	1,200	
652	Audit/Accounting	47,549	54,549	(4,549)	50,000	51,000	
654	Billing Costs	63,520	80,000	(35,000)	45,000	50,000	
656	Dues/Subscript.	50	800	-	800	800	
657	Election Expense	-	-	-	-	-	
658	Arbitrage Compliance fee			-	-	-	
676	Legal Counsel	57,812	77,083	(32,083)	45,000	45,000	
676.2	Legal Counsel -Election			-	-	-	
678	Notices/Fees			3,000	3,000	3,000	
680	Office Supplies	2,030	2,707	793	3,500	3,500	
680.1	Website	1,560	3,000	-	3,000	3,000	
680.2	Ins-Errors & Omissions	1,454	1,454	46	1,500	1,500	
686	Postage	122	1,000	-	1,000	1,000	
691	Training			-	-	-	
694	Director's Fees	8,619	11,492	2,008	13,500	13,500	
696	Travel		2,500	-	2,500	2,500	
697	Regulatory	5,966	5,966	(966)	5,000	5,000	
699	Maint. Agreemts	9,458	9,458	(1,458)	8,000	10,000	
699.2	Mileage (Office)	-	200	-	200	200	
655.1	Contracted Serv	-	1,500	1,500	3,000	3,000	
				-	-	-	
	TOTAL ADMIN. EXPENSES	361,282	448,439	(119,439)	329,000	367,293	
				-			
CAPITAL OUTLAY							
910	Fire Hydrants			-	-	-	
911	Park-Landscaping			2,000	2,000	2,000	
916.4	Influent Screens & Flow Splitter & Clarifer			-	-	-	
915	Generator			-	-	-	
916	Capital Outlay/WWTP			-	-	-	
916.1	Capital Outlay - Valve Replacement			-	-	-	
916.3	Influent Screens & Flow Splitter & Clarifer			-	-	-	
916.5	Bond Expense			-	-	-	
916.6	Capital Outlay - Water Tank			-	-	-	
916.8	Capital Outlay - Fire Hydrants						
917	Bond Application			-	-	-	
	Booster Pumps				-	-	bond funds
	Fire Hydrants	-		40,000	40,000		
	Bond Project - Water Plant (pumps, GST, Elec)				-	-	bond funds
	Monument Sign	-		20,000	20,000	20,000	
	Bulkhead - office			-	-	-	
	Bulkhead - park				55,000	-	bond funds
	Use of remainder of bond proceeds			-	-	-	
	TOTAL CAPITAL OUTLAY	-	-	117,000	117,000	22,000	
OTHER	**TOTAL EXPENDITURES**	*1,970,786*	*2,531,234*	*(494,084)*	*2,037,150*	*1,765,443*	
	BUDGET TOTAL INCOME	*1,598,628*	*1,921,241*	*74,391*	1,846,850	1,898,450	
	NET EXCESS / (DEFICIT)	*(372,158)*	*(609,993)*	*(419,693)*	(190,300)	133,007	
	Use of Undesignated Fund Balance				190,300		
					-		
	NET EXCESS/(DEFICIT)				-	133,007	