

MINUTES OF MEETING  
OF THE  
BOARD OF DIRECTORS

THE STATE OF TEXAS §  
COUNTY OF ROCKWALL §  
ROCKWALL COUNTY MUNICIPAL UTILITY DISTRICT NO. 7 §

The Board of Directors (the "Board") of Rockwall County Municipal Utility District No. 7 (the "District") met in regular session by audio conference, open to the public, on Tuesday, February 23, 2021, at 5:30 pm.

Ms. Sarah Landiak, General and Bond Counsel for the District, announced that the Meeting would be conducted by audio conference to mitigate the spread of COVID-19. Ms. Landiak confirmed that Meeting participants will observe guidance provided by the Texas Attorney General's office to suspend certain requirements of the Texas Open Meetings Act. Ms. Landiak next stated that (i) Notice of the Meeting was given in accordance with Chapter 551, Government Code, and Chapter 49, Texas Water Code, as amended by the Governor's order and Attorney General's guidance; (ii) the Meeting was being conducted in a transparent and accessible manner; (iii) Meeting packets were distributed to all participants, and made available to the public; and (iv) the Meeting would be recorded, and available for electronic distribution upon request.

The roll was called of the members of the Board to-wit:

|                    |                               |
|--------------------|-------------------------------|
| Larry Christensen  | President                     |
| Sandy Sinks        | Vice President                |
| Michael W. Skinner | Secretary                     |
| Terry Jones        | Treasurer/Assistant Secretary |
| Martha Ann Cook    | Assistant Secretary           |

All Directors were present at the commencement of the meeting with the exception of Director Christensen, and Director Sinks. Also participating were: Mr. Ryan Nesmith of Robert W. Baird & Co.; Mr. Daniel Rawls, P.E. of LJA Engineering, Inc. ("LJA"); Ms. Brandi Galindo of Dye & Toverly, LLC ("D&T"); Mr. Michael Poole of Lennar Homes; and Ms. Sarah Landiak, attorney, and Ms. Genny Lutzel, paralegal, each of Winstead PC.

The meeting was called to order at 5:30 p.m.

1. Public Communications and Comments. Ms. Landiak opened the meeting for public communication and comment. After noting that there were no members of the public present, Director Jones moved that the Board close the public communication and comment session of the meeting. Director Cook seconded said motion, which carried unanimously.

2. Minutes of January 19, 2021 Board of Directors Meeting. Following a discussion, Director Skinner moved that the Board approve the Minutes of the January 19, 2021 meeting, as presented. Director Cook seconded said motion, which carried unanimously.

3. Engineer's Report. Mr. Rawls stated that construction in Phase Four is slated to begin in May, noting that it would be appropriate at this time for the Board to consider authorizing bids for excavation, paving and utility improvements. Following a discussion, Director Jones moved that the Board authorize advertisement of bids for said projects. Director Cook seconded said motion, which carried unanimously.

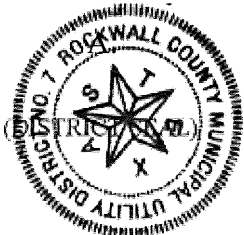
4. Developer's Report. Mr. Poole stated that Lennar is actively building and selling homes within Phases One through Three; and addressing engineering matters for Phase IV. No formal action was taken by the Board.

5. Bookkeeping Report. Ms. Galindo reviewed with the Board copies of a Bookkeeper's Report dated February 23, 2021, a copy of which is attached hereto as Exhibit "B". Following a discussion, Director Jones moved that the Board (i) approve the bookkeeping report, (ii) authorize payment of bills presented by checks drawn on the District's accounts as listed thereon; and (iii) authorize the bookkeeper to sign disbursements on behalf of the Board of Directors of the District pursuant to Section 49.151(a), Texas Water Code, noting that said authorization would terminate upon motion of the Board when the declared State of Disaster ceases. Director Cook seconded said motion, which carried unanimously.

6. Annual Review of District's Investment Policy. Mr. Martin discussed with the Board a Resolution Regarding Review of Investment Policy, a copy of which is attached hereto as Exhibit "C". Mr. Martin discussed the requirement for an annual review of the District's Investment Policy, noting that no changes were being recommended at this time. Following discussion, Director Jones moved that the board adopt the Resolution Regarding Review of Investment Policy, as presented. Director Cook seconded said motion, which carried unanimously.

7. Adjourn. There being no further business to conduct, Director Cook moved that the meeting be adjourned at 5:47 p.m., and until further call. Director Jones seconded said motion, which carried unanimously.

APPROVED AND ADOPTED this 27<sup>th</sup> day of April, 2021.



*Michael W. Skinner*

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Secretary  
Rockwall County Municipal Utility District No. 7

# WOODCREEK

F A T E · T E X A S

*Rockwall County Municipal Utility District No. 7*

February 23, 2021

## Summary - All Funds

### **General Fund:**

|  | <b>Balance</b>              |
|--|-----------------------------|
| General Operating Fund - Plains Capital Bank #9275 | \$ 41,777.69                |
| Logic Investment Fund - .1289%                     | 62,103.59                   |
| <b>Total General Operating Funds</b>               | <b><u>\$ 103,881.28</u></b> |

### **Capital Projects Fund:**

|  |                            |
|--|----------------------------|
| Capital Projects Fund - Series 2019 Road - PCB #0802 | \$ 40,231.73               |
| <b>Total Capital Projects Funds</b>                  | <b><u>\$ 40,231.73</u></b> |

### **Debt Service Fund:**

|  |                             |
|--|-----------------------------|
| Debt Service Fund - Series 2019 Road - PCB #9403 | \$ 122,058.93               |
| <b>Total Debt Service Funds</b>                  | <b><u>\$ 122,058.93</u></b> |

Prepared by:

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*Rockwall County Municipal Utility District No. 7*  
**Analysis of Rockwall County Property Tax Levied vs. Collected**  
**Tax Year 2020 (10/01/20-9/30/21)**

|  |            |                      |        |
|--|------------|----------------------|--------|
| Amount Levied on 10/01/20                    |            | \$ 212,128.97        |        |
| <i>Adjustments &amp; supplements</i>         |            |                      |        |
| Adjusted levy                                |            | <u>212,128.97</u>    |        |
| Amount Collected as of                       | 12/31/2020 | \$ 157,411.21        | 74.21% |
| Amount Uncollected as of                     | 12/31/2020 | <u>54,717.76</u>     |        |
| <br><b>Tax Year 2020 (10/01/20-9/30/21)</b>  |            |                      |        |
| Taxable Value of District Property           |            | \$ 28,283,831        |        |
| Tax to be levied per \$100 of value          | \$ 0.75000 | \$ 212,128.73        |        |
| M & O - available for operating costs        | \$ 0.26000 | \$ 73,537.96         |        |
| I & S - transferred to debt Service accounts | \$ 0.49000 | \$ 138,590.77        |        |
|  |            | <u>\$ 212,128.73</u> |        |

*Rockwall County Municipal Utility District No. 7*  
**Capital Projects Fund**  
**February 23, 2021**

**Capital Projects Fund - Series 2019 Road - PCB #0802**

|  |                        |
|--|------------------------|
| <b>Beginning balance</b>                         | <b>\$ (191,657.15)</b> |
| Transfer to/from Logic                           | 192,000.00             |
| <b>#1009</b> McCall Gibson Swedlund Barfoot PLLC | (1,400.00)             |
| Interest Income                                  | 0.02                   |
|  | <b>\$ (1,057.13)</b>   |
| <b>Ending balance</b>                            | <b>\$ (1,057.13)</b>   |
| <i>FA recommends transferring \$1,100</i>        |                        |
| <b>Logic Investment Fund - .1289%</b>            | <b>\$ 41,288.86</b>    |

*Rockwall County Municipal Utility District No. 7*  
**Debt Service Fund**  
**February 23, 2021**

**Debt Service Fund - Series 2019 Road - PCB #9403**

|   |               |                      |
|---|---------------|----------------------|
| <b>Beginning balance</b>                        | <b>\$</b>     | <b>30,295.12</b>     |
| Transfer from GF - I&S prop tax                 |               | 80,352.35            |
| Transfer to/from Logic Fund                     |               | (30,000.00)          |
| #1006 4/1 DS Pmt - Ser 2019 Rd                  |               | (36,651.25)          |
| Interest Income                                 |               | 0.09                 |
|   |               | -----                |
| <b>Ending balance</b>                           | <b>\$</b>     | <b>43,996.31</b>     |
| <i>Recommend transferring \$43,000 to Logic</i> |               |                      |
| <br><b>Logic Investment Fund - .1289%</b>       | <br><b>\$</b> | <br><b>78,062.62</b> |
|   |               | -----                |

*Rockwall County Municipal Utility District No. 7*  
**Debt Service Fund**  
**February 23, 2021**

*Unlimited Tax Bonds*

**Series 2019 Rd**  
\$2,575,000

|           | <u>Principal<br/>Payment</u> | <u>Interest<br/>Payment</u> | <u>Annual<br/>Debt Service</u> |
|-----------|------------------------------|-----------------------------|--------------------------------|
| 4/1/2021  |                              | 36,651.25                   |                                |
| 10/1/2021 | 70,000.00                    | 36,651.25                   | 143,302.50                     |
| 4/1/2022  |                              | 36,038.75                   |                                |
| 10/1/2022 | 75,000.00                    | 36,038.75                   | 147,077.50                     |
| 4/1/2023  |                              | 35,326.25                   |                                |
| 10/1/2023 | 75,000.00                    | 35,326.25                   | 145,652.50                     |
|           | <u>\$ 220,000.00</u>         | <u>\$ 216,032.50</u>        | <u>\$ 436,032.50</u>           |



**Rockwall County Municipal Utility District No. 7**  
**Budget to Actual Analysis**  
**September 2020 through January 28, 2021, 5 months**

|                             | Sept '20 - Jan 21 | YTD Budget    | \$ Over Budget  | % of Budget | Annual Budget |
|-----------------------------|-------------------|---------------|-----------------|-------------|---------------|
| <b>Revenue</b>              |                   |               |                 |             |               |
| 4000 · Property Tax Revenue | \$ 58,814         | 72,527        | (13,713)        | 81%         | 72,527        |
| 5391 · Interest Revenue     | 57                | 332           | (275)           | 17%         | 1,207         |
| <b>Total Revenue</b>        | <b>\$ 58,871</b>  | <b>72,859</b> | <b>(13,988)</b> | <b>81%</b>  | <b>73,734</b> |

1. Property taxes - under budget due to timing
2. Interest Revenue - under budget due to lower interest rates

|                                      |                  |               |                 |            |               |
|--------------------------------------|------------------|---------------|-----------------|------------|---------------|
| <b>Administrative Expenses</b>       |                  |               |                 |            |               |
| 6071 · Appraisal Budget              | 0                | 500           | (500)           | 0%         | 500           |
| 7001 · Accounting                    | 3,987            | 4,100         | (113)           | 97%        | 14,350        |
| 7070 · Auditing                      | 11,500           | 10,250        | 1,250           | 112%       | 10,250        |
| 7190 · Delivery/Courier Services     | 17               | 30            | (13)            | 57%        | 60            |
| 7200 · Director's Fees               | 1,292            | 2,342         | (1,050)         | 55%        | 8,437 3       |
| 7300 · Engineering                   | 761              | 5,000         | (4,239)         | 15%        | 12,000 4      |
| 7460 · Insurance                     | 4,192            | 4,250         | (58)            | 99%        | 4,250         |
| 7500 · Legal                         | 4,605            | 18,500        | (13,895)        | 25%        | 46,500 5      |
| 7520 · Mtg exp-posting               | 200              | 200           | 0               | 100%       | 900           |
| 7521 · Mtg. Exp-conf. room           | 0                | 100           | (100)           | 0%         | 450           |
| 7600 · Office Supplies               | 0                | 0             | 0               | 0%         | 105           |
| <b>Total Administrative Expenses</b> | <b>\$ 26,554</b> | <b>45,272</b> | <b>(18,718)</b> | <b>59%</b> | <b>97,802</b> |

3. Director Fees - under budget due to less meetings held
4. Engineering - under budget, have not rec'd invoice for Jan yet
5. Legal - under budget, have not rec'd invoice for Jan yet

**RESOLUTION ACKNOWLEDGING ANNUAL REVIEW OF INVESTMENT POLICY  
AND INVESTMENT STRATEGIES**

THE STATE OF TEXAS           §  
  §  
COUNTY OF ROCKWALL       §

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF ROCKWALL COUNTY MUNICIPAL UTILITY DISTRICT NO. 7 THAT:

WHEREAS, the Board of Directors of Rockwall County Municipal Utility District No. 7 (the "District") has reviewed its existing November 19, 2019 Amended Order Adopting an Investment Policy and Appointing an Investment Officer and desires to confirm such review;

NOW THEREFORE KNOW ALL MEN BY THESE PRESENTS;

Section 1. That the November 19, 2019 Amended Order Adopting an Investment Policy and Appointing an Investment Officer ("Order") has been reviewed by the Board;

Section 2. That, following such review, the Board noted that there are no changes to be made to said Order or the investment strategies set out therein; and

Section 3. That the Secretary of the Board of Directors is hereby directed to file a copy of this Resolution in the official records of the District.

ADOPTED this 23rd of February, 2021.

\_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Secretary

[DISTRICT SEAL]

