

**MINUTES OF MEETING  
OF THE  
BOARD OF DIRECTORS**

STATE OF TEXAS §

COUNTIES OF KAUFMAN AND ROCKWALL §

CLUB MUNICIPAL MANAGEMENT DISTRICT NO. 1 §

The Board of Directors (the “Board”) of Club Municipal Management District No. 1 (the “District”) met in special session, open to the public, on Tuesday, December 16, 2025, at 4:00 p.m. at 1500 Clubhouse Drive, Heath, Texas 75032, an official meeting place located within the boundaries of the District. The roll was called of the members of the Board to-wit:

Mark Kennedy	President
Norm Grunsfeld	Vice President
James E. Sax	Secretary
Alexis M. Lucas	Assistant Secretary
Leon Schieber	Assistant Secretary

All members of the Board were present at the commencement of the meeting with the exception of Director Grunsfeld and Director Schieber. Ex officio member Mr. Mark Gonzalez was also present. Others in attendance were: Ms. April Little of Dye & Toverly LLC; Mr. Josh Arendt of Municap, Inc.; Mr. Jim Sabonis of Hilltop Securities Inc.; Mr. Rob Whittle of Whittle Development; and Ms. Genny Lutzel, paralegal with Winstead PC

1. The meeting was called to order at 4:16 p.m. by Director Kennedy. The Board confirmed that public notice of the meeting had been given as required by law. Director Kennedy delivered the Invocation and led the Pledge of Allegiance.

2. Consideration was next given to public comments. Hearing none, the Board closed the public comment session of the meeting.

3. Consideration was next given to the draft minutes of the October 21, 2025 Board of Directors Meeting. Following a discussion, Director Sax moved that the Board approve the minutes as transcribed. Director Lucas seconded said the motion which carried unanimously.

4. Consideration was next given to a report from Municap, Inc. Mr. Arendt stated that Municap, Inc. is working on disclosure reports. No formal action was taken by the Board.

5. Consideration was next given to authorize a release of lien for assessments levied on property located within Improvement Area No. 3. The Board noted that Municap, Inc. has confirmed prepayment as reflected on the attached Certificate of Satisfaction and Release, a copy of which is attached hereto Exhibit “A”. Following a discussion, Director Sax moved that the Board concur with the release of lien prepared by Municap, Inc. Director Lucas seconded said motion, which carried unanimously.

6. Consideration was next given to the review of correspondence from Hilltop Securities titled “Regulatory Disclosure Regarding Municipal Advisory Agreement”, a copy of which is attached hereto as Exhibit “B”. Mr. Sabonis reviewed said disclosures with the Board. No formal action was taken by the Board.

7. Consideration was next given to review of a proposed Plan of Finance; discussion regarding potential refunding of District Special Assessment Revenue Bonds, Series 2016 (Improvement Area #1) (the “Refunding Bonds”); and application for Standard & Poor’s bond credit rating. The Board deferred action on the matter following a presentation by Mr. Sabonis, noting that an additional meeting may be needed to discuss same.

8. Consideration was next given to the review and approval of an audit report for fiscal year ended September 30, 2024. The Board reviewed a draft report prepared by BrooksWatson & Co. Following a discussion, Director Lucas moved that the Board approve the audit report for fiscal year ended September 30, 2024. Director Sax seconded said motion, which carried unanimously.

9. Consideration was next given to the review and approval of an engagement letter from BrooksWatson & Co. for preparation of an annual financial report for fiscal year ended September 30, 2025. Following a discussion, Director Lucas moved that the Board approve the engagement letter as presented. Director Sax seconded said motion, which carried unanimously.

10. Consideration was next given to an update from the developer. Mr. Whittle shared with the Board a summary of recently held holiday events within the Heath Golf and Yacht Club community. He next provided an update regarding completion of the water line extension to Hubbard Drive. No formal action was taken by the Board.

11. Consideration was next given to the approval of a Bookkeeper’s Report. Ms. Little presented to and reviewed with the Board copies of a bookkeeper’s report, a copy of which is attached hereto as Exhibit “C”. The Board requested clarification of legal fees as reflect on the budget. Following a discussion, Director Lucas moved that the Board approve the bookkeeper report and authorize disbursements listed thereon. Director Sax seconded said motion, which carried unanimously.

12. There being no further business to conduct, Director Lucas moved that the meeting be adjourned. Director Sax seconded said motion, which carried unanimously. The Board adjourned at 5:32 p.m., and until further call.

Approved this 5th day of February, 2026.

CLUB MUNICIPAL MANAGEMENT  
DISTRICT NO. 1

By: Samuel J. Sax  
Secretary

[DISTRICT SEAL]

