



4113 Main Street, Suite 105
Rowlett, TX 75088
rowlethfc.org

Board of Directors Meeting
Thursday, July 24, 2025, at 4:00 p.m.
4000 Main Street, Rowlett, TX 75088

Meeting URL: https://teams.microsoft.com/join/19%3ameeting_N2JmYTE1NGMtY2Y3OS00Yzc4LWlwZTctOTBiOWQzNzBjOWFI%40thread.v2/0?context=%7b%22Tid%22%3a%2285803b12-c237-45fd-bc07-0d2e834e5e62%22%2c%22Oid%22%3a%2230ae6dc7-b5bc-408c-8fa2-03c36257fc1b%22%7d

Meeting ID: 283 135 363 472 8
Passcode: Ms3oV7cw

AGENDA

As authorized by Section 551.071 of the Texas Government Code, this meeting may be convened into closed Executive Session for the purpose of seeking confidential legal advice from the RHFC legal counsel on any agenda item herein. The Board of Directors reserves the right to reconvene, recess or realign the Regular meeting agenda or called Executive Session or order of business at any time prior to adjournment.

Call to order.

- 1. Public input - The Board of Directors may receive public input on any of the agenda items listed below.**
- 2. Approval of Minutes: Consider and take action to approve the minutes of the June 26th, 2025, Rowlett Housing Finance Corporation Board meeting.**
- 3. Legal update in connection with Savannah at Lakeview Apartments project**
- 4. 2025 2nd Quarter Financial Report**
- 5. Rowlett HFC Investment Vehicles Review**
- 6. Discuss future utilization of the Rowlett HFC Foundation**
- 7. Items of Community Interest, Topics for future agenda: Members of the Board may request topics to be placed on the agenda for a subsequent meeting. Any deliberation or decision shall be limited to a proposal to place the topic on the agenda for a subsequent meeting.**

**Thursday, June 26, 2025, at 4:00 PM
4000 Main Street, Rowlett, Tx 75088**

Call to Order:

President Winget called the meeting to order at 4:00 PM with a quorum present (Directors Winget, Dunnican and Schupp). Director Kull attended via video conference call due to illness. Also present was Ryan Bowen, with Chapman and Cutler, and HFC Treasurer Mike Kuhn. Attending by phone were Tim Nelson with Hilltop Securities and Scott Fletcher with Texas Department of Housing and Community Affairs. Director Holston was absent.

1. Public Input:

There were no members of the public present, therefore there were no public comments.

2. Approval of Minutes:

Director Schupp made a motion to approve the minutes as presented. Director Dunnican seconded the motion, and it passed unanimously.

3. Legal Update:

President Winget asked Attorney Bowen for a legal update. Attorney Bowen said all legal matters were currently in satisfactory position and had nothing substantive to add at this time. President Winget asked if he needed documents from May that he still has, and Attorney Bowen said yes. President Winget said he would arrange to provide them.

There being no further discussion of Agenda Item 3, President Winget said we would move to Agenda Item 4. No action was taken on Agenda Item 3.

4. Discuss and take action on resolutions (1) approving the application to the Texas Bond Review Board for a single family private activity bond allocation in an amount up to \$4,000,000 (the "Allocation") and (2) delegating authority for the Texas Department of Housing and Community Affairs ("TDHCA") to Issue bonds on behalf of the HFC to finance single family home mortgages loans and assigning the allocation to TDHCA, and approving all matters in connection therewith:

President Winget called on Treasurer Kuhn to explain this Agenda Item, and he explained this is authorizing TDHCA to issue single family home mortgage bonds on our behalf, and in doing so the HFC receives fees. Director Dunnican made a motion to approve both parts of the resolution in Agenda Item 4. Director Schupp seconded the motion. During discussion on this motion, Treasurer Kuhn said the Resolution had been reviewed by the City Attorney and HFC Executive Director Hall, and that it would need to go before City Council before final approval.

There being no further discussion on Agenda Item 4, President Winget called for the vote and the motion passed unanimously.

President Winget then said we would move to Agenda Item 5.

5. Provide an update on a loan extension for the Savannah at Lakeview, LP Loan with IBC Bank:

President Winget said this is a simple formal update for the RHFC Board on the extension he signed for the Savannah project. He said this will add one year to the existing loan that will provide a bridge toward the ONCOR lawsuit settlement. Treasurer Kuhn said that they are paying interest-only on the loan. President Winget said he didn't believe the RHFC Board needed to take action on this since this is an extension of an already approved loan, and it would be approved by IBC in any case, and this allows us to be good business partners.

There was no further discussion on Agenda Item 5, so President Winget said we would move on to Agenda Item 6. No action was taken on Agenda Item 5.

6. Discuss and take action on resolutions (1) authorizing the issuance, sale and delivery by the HFC of it's Subordinate Multifamily Housing Governmental Note (Lakeview Senior Living), Series 2025, in an aggregate principal amount not to exceed \$10,000,000 in order to partially finance the construction and operation of a multifamily housing development for seniors in Rowlett Texas, known as "Lakeview Senior Living", (2) authorizing the HFC's wholly owned affiliate Savannah at Lakeview GP, LLC, to execute and deliver certain equity and loan financing documents in connection with the governmental note financing described above, and (3) authorizing the HFC's wholly owned affiliate, Savannah at Lakeview holdings, LLC, to execute and deliver certain loan financing documents in connection with the governmental note financing described above, and approving all matters in connection therewith:

President Winget read into the record the above Agenda Item language. He then called on Attorney Bowen to explain this Agenda Item. Attorney Bowen said the three parts of this item are as follows: The HFC Board would be authorizing an application for a \$10,000,000 supplemental bond for the Savannah project in order for them to meet certain Federal tax requirements. The application process is expected to close by July 9, 2025, which is the last day state law allows for this purpose. This bond issuance is expected to stabilize this project and allow it to reach completion. He and Mr. Nelson said it was in the best interests of the HFC to approve this bond application, and to not do so would create many complications. Director Dunnican asked if this approval would allow Savannah to satisfy liens being held against this project. Director Kull asked if this bond allocation would be carefully monitored to assure the Board it was being properly used. Attorney Bowen and Mr. Nelson agreed approving this application would assure the HFC that legal and lien issues would be resolved, and the disbursement of funds would be allocated for specific appropriate purposes. They saw no down side to going forward with approval. President Winget asked if this would bring the project across the finish line. Mr. Nelson said he believed it would. Director Schupp asked if the HFC would receive fees for approving this, and Attorney Bowen said yes that is correct. President Winget asked if this matter needed to go to City Council, and Attorney Bowen said no, it was already approved in January. President Winget asked Treasurer Kuhn if he and Executive Director Hall had reviewed this proposal and Treasurer Kuhn said yes, that he, Chapman and Hilltop had reviewed the documents from the HFCs perspective. President Winget said then it would be correct to say that Hilltop, Chapman and Cutler, and Treasurer Kuhn have all looked over this proposal and are comfortable with us going forward with approval.

Attorney Bowen said the City Attorney reviewed this before going to City Council in January and found it met all City requirements. President Winget said he was comfortable with approving this Agenda Item and asked for further discussion.

There being no further discussion, Director Dunnican made a motion to approve all three parts of Agenda Item 6. Director Schupp seconded the motion and it passed unanimously.

President Winget said we would move on to Agenda Item 7.

7. Items of Community Interest, Topics for Future Agenda:

President Winget said City Council has adopted the State's legislation to require any outside HFC to have approval from the local governing entity in order to purchase property in the jurisdiction. President Winget then explained that given he's now mayor, another City Council representative will need to be appointed to the RHFC Board of Directors. This will likely occur before the next meeting. That will require an election of officers at the next meeting. It was decided the next Board Meeting will be July 24, 2025 at 4PM. The meeting location will be provided in the meeting notice.

8. Adjournment:

President Winget said there being no further business, the meeting was adjourned at 4:41PM.

Approved on _____, 2025

Jeff Winget, President

Richard Kull, Secretary

ROWLETT HOUSING FINANCE CORPORATION
STATEMENT OF NET POSITION
JUNE 30, 2025

	<u>Government Enterprise Fund</u>
<u>ASSETS</u>	
Current assets:	
Cash and cash equivalents	\$ 180,685
Investments	420,734
Accounts receivable - annual issuer fee	21,875
Prepaid expense	<u>3,971</u>
Total current assets	<u>627,265</u>
Capital assets, net of accumulated depreciation	<u>6,582,323</u>
Other assets:	
Deposits	560
Investments in Interagency Home Financing Cooperative	<u>15,000</u>
Total other assets	<u>15,560</u>
Total assets	<u>7,225,148</u>
<u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	1,032
Accrued payroll liabilities	<u>42</u>
Total liabilities	1,074
<u>DEFERRED INFLOW OF RESOURCES</u>	
Deferred inflows related to land leases	<u>6,163,414</u>
<u>NET POSITION</u>	
Net investment in capital assets	418,909
Unrestricted	<u>641,751</u>
Total net position	\$ <u><u>1,060,660</u></u>

Selected information – Statement of cash flows and substantially all disclosures required by accounting principles generally accepted in the United States of America are not included. Transactions related to the houses acquired by IHFC Texas, LLC under Trio Program are excluded on the monthly financial statements.

No assurance is provided on these financial statements.

ROWLETT HOUSING FINANCE CORPORATION
STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET POSITION
SECOND QUARTER ENDED JUNE 30, 2025

	Government Enterprise Fund
Operating revenue:	
Annual issuer fees - Savannah at Lakeview	\$ 18,750
Land lease income	32,869
Other income	<u>1,043</u>
Total operating revenue	<u>52,662</u>
Operating expenses:	
Salary and related benefits	73,649
Professional services (accounting & legal)	42,309
Consulting services	1,190
Office expense	11,250
Property and liability insurance	<u>2,014</u>
Total operating expenses	<u>130,412</u>
Net operating loss	<u>(77,750)</u>
Non-operating income (expense):	
Interest income	<u>12,128</u>
Change in net position	(65,622)
Net position:	
Beginning of year	<u>1,126,282</u>
End of period	\$ <u><u>1,060,660</u></u>

Selected information – Statement of cash flows and substantially all disclosures required by accounting principles generally accepted in the United States of America are not included. Transactions related to the houses acquired by IHFC Texas, LLC under Trio Program are excluded in the monthly financial statements.

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SUPPLEMENTAL INFORMATION

ROWLETT HOUSING FINANCE CORPORATION
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2025

	Rowlett HFC	Savannah GP	Savannah Holdings	Savannah Development	Savannah Contractor	IHFC Texas	Enclave GP	Enclave Development	Enclave Holdings	Rowlett Foundation	Subtotal	Elimination	Total
<u>ASSETS</u>													
Current assets:													
Cash and cash equivalents	\$ 1,576	\$ 11,449	\$ 11,448	\$ 11,450	\$ 11,449	\$ 11,449	\$ 11,449	\$ 11,449	\$ 11,449	\$ 87,517	\$ 180,685	\$ -	\$ 180,685
Investments	420,734	-	-	-	-	-	-	-	-	-	420,734	-	420,734
Accounts receivable - annual issuer fee	21,875	-	-	-	-	-	-	-	-	-	21,875	-	21,875
Intercompany receivable	9,457	-	-	-	-	997	-	-	-	-	10,454	(10,454)	-
Prepaid expense	3,971	-	-	-	-	-	-	-	-	-	3,971	-	3,971
Total current assets	457,613	11,449	11,448	11,450	11,449	12,446	11,449	11,449	11,449	87,517	637,719	(10,454)	627,265
Capital assets, net of accumulated depreciation	-	-	2,312,612	-	-	-	-	-	4,269,711	-	6,582,323	-	6,582,323
Other assets:													
Deposits	560	-	-	-	-	-	-	-	-	-	560	-	560
Investments in LLCs	80,000	-	-	-	-	15,000	-	-	-	-	95,000	(80,000)	15,000
Total other assets	80,560	-	-	-	-	15,000	-	-	-	-	95,560	(80,000)	15,560
Total assets	538,173	11,449	2,324,060	11,450	11,449	27,446	11,449	11,449	4,281,160	87,517	7,315,602	(90,454)	7,225,148
<u>LIABILITIES</u>													
Current liabilities:													
Accounts payable	822	52	14	14	14	14	14	14	14	60	1,032	-	1,032
Intercompany payable	-	1,730	673	674	673	-	673	673	673	4,685	10,454	(10,454)	-
Accrued payroll liability	42	-	-	-	-	-	-	-	-	-	42	-	42
Total current liabilities	864	1,782	687	688	687	14	687	687	687	4,745	11,528	(10,454)	1,074
<u>DEFERRED INFLOW OF RESOURCES</u>													
Deferred inflow of resources for land leases	-	-	2,137,414	-	-	-	-	-	4,026,000	-	6,163,414	-	6,163,414
<u>NET POSITION</u>													
Net investment in capital assets	-	-	175,198	-	-	-	-	-	243,711	-	418,909	-	418,909
Unrestricted	537,309	9,667	10,761	10,762	10,762	27,432	10,762	10,762	10,762	82,772	721,751	(80,000)	641,751
Total net position	\$ 537,309	\$ 9,667	\$ 185,959	\$ 10,762	\$ 10,762	\$ 27,432	\$ 10,762	\$ 10,762	\$ 254,473	\$ 82,772	\$ 1,140,660	\$ (80,000)	\$ 1,060,660

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ROWLETT HOUSING FINANCE CORPORATION
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET POSITION
SECOND QUARTER ENDED JUNE 30, 2025

	<u>Rowlett HFC</u>	<u>Savannah GP</u>	<u>Savannah Holdings</u>	<u>Savannah Development</u>	<u>Savannah Contractor</u>	<u>IHFC Texas</u>	<u>Enclave GP</u>	<u>Enclave Development</u>	<u>Enclave Holdings</u>	<u>Rowlett Foundation</u>	<u>Subtotal</u>	<u>Elimination</u>	<u>Total</u>
Operating revenue:													
Annual issuer fees - Savannah	\$ 18,750	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,750	\$ -	\$ 18,750
Land lease income	-	-	11,680	-	-	-	-	-	21,189	-	32,869	-	32,869
Other income	<u>946</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>97</u>	<u>1,043</u>	<u>-</u>	<u>1,043</u>
Total operating revenue	<u>19,696</u>	<u>-</u>	<u>11,680</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,189</u>	<u>97</u>	<u>52,662</u>	<u>-</u>	<u>52,662</u>
Operating expenses:													
Salary and related benefits	73,649	-	-	-	-	-	-	-	-	-	73,649	-	73,649
Professional services (accounting & legal)	38,149	52	364	364	364	364	364	364	364	1,560	42,309	-	42,309
Consulting services	1,190	-	-	-	-	-	-	-	-	-	1,190	-	1,190
Office expense	11,250	-	-	-	-	-	-	-	-	-	11,250	-	11,250
Property and liability insurance	<u>2,014</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,014</u>	<u>-</u>	<u>2,014</u>
Total operating expenses	<u>126,252</u>	<u>52</u>	<u>364</u>	<u>364</u>	<u>364</u>	<u>364</u>	<u>364</u>	<u>364</u>	<u>364</u>	<u>1,560</u>	<u>130,412</u>	<u>-</u>	<u>130,412</u>
Net operating income (loss)	<u>(106,556)</u>	<u>(52)</u>	<u>11,316</u>	<u>(364)</u>	<u>(364)</u>	<u>(364)</u>	<u>(364)</u>	<u>(364)</u>	<u>20,825</u>	<u>(1,463)</u>	<u>(77,750)</u>	<u>-</u>	<u>(77,750)</u>
Non-operating income (expense):													
Interest income	<u>10,226</u>	<u>238</u>	<u>237</u>	<u>238</u>	<u>238</u>	<u>237</u>	<u>238</u>	<u>238</u>	<u>238</u>	<u>-</u>	<u>12,128</u>	<u>-</u>	<u>12,128</u>
Change in net position	(96,330)	186	11,553	(126)	(126)	(127)	(126)	(126)	21,063	(1,463)	(65,622)	-	(65,622)
Net position:													
Beginning of year	<u>633,639</u>	<u>9,481</u>	<u>174,406</u>	<u>10,888</u>	<u>10,888</u>	<u>27,559</u>	<u>10,888</u>	<u>10,888</u>	<u>233,410</u>	<u>84,235</u>	<u>1,206,282</u>	<u>(80,000)</u>	<u>1,126,282</u>
End of period	<u>\$ 537,309</u>	<u>\$ 9,667</u>	<u>\$ 185,959</u>	<u>\$ 10,762</u>	<u>\$ 10,762</u>	<u>\$ 27,432</u>	<u>\$ 10,762</u>	<u>\$ 10,762</u>	<u>\$ 254,473</u>	<u>\$ 82,772</u>	<u>\$ 1,140,660</u>	<u>\$ (80,000)</u>	<u>\$ 1,060,660</u>

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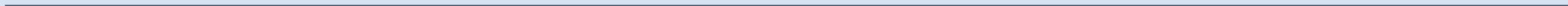
No assurance is provided on these financial statements.



Rowlett HFC

Investment Vehicles Review

July 24, 2025



Rowlett HFC Investment Policy & PFIA

Policy Objectives

- Safety
- Liquidity
- Yield

Additional Considerations

- Suitability
- Capital Preservation
- Marketability
- Maturity
- Diversification

PFIA Priorities in Order of Importance

- Safety
- Liquidity
- Yield

PFIA Authorized Investments

- US Government and Agency Obligations
- Mortgage Obligations issued by Federal Agency
- Municipal Debt
- Mutual Funds
- Investment Pools
- Certificates of Deposit
- Commercial Paper
- Other

Portfolio Overview – 6/30/2025

Rowlett HFC	
Depository Account	\$1,576
LOGIC	401,227
TexPool Prime	19,507
Money Market Fund	---
	<hr/>
	\$422,310

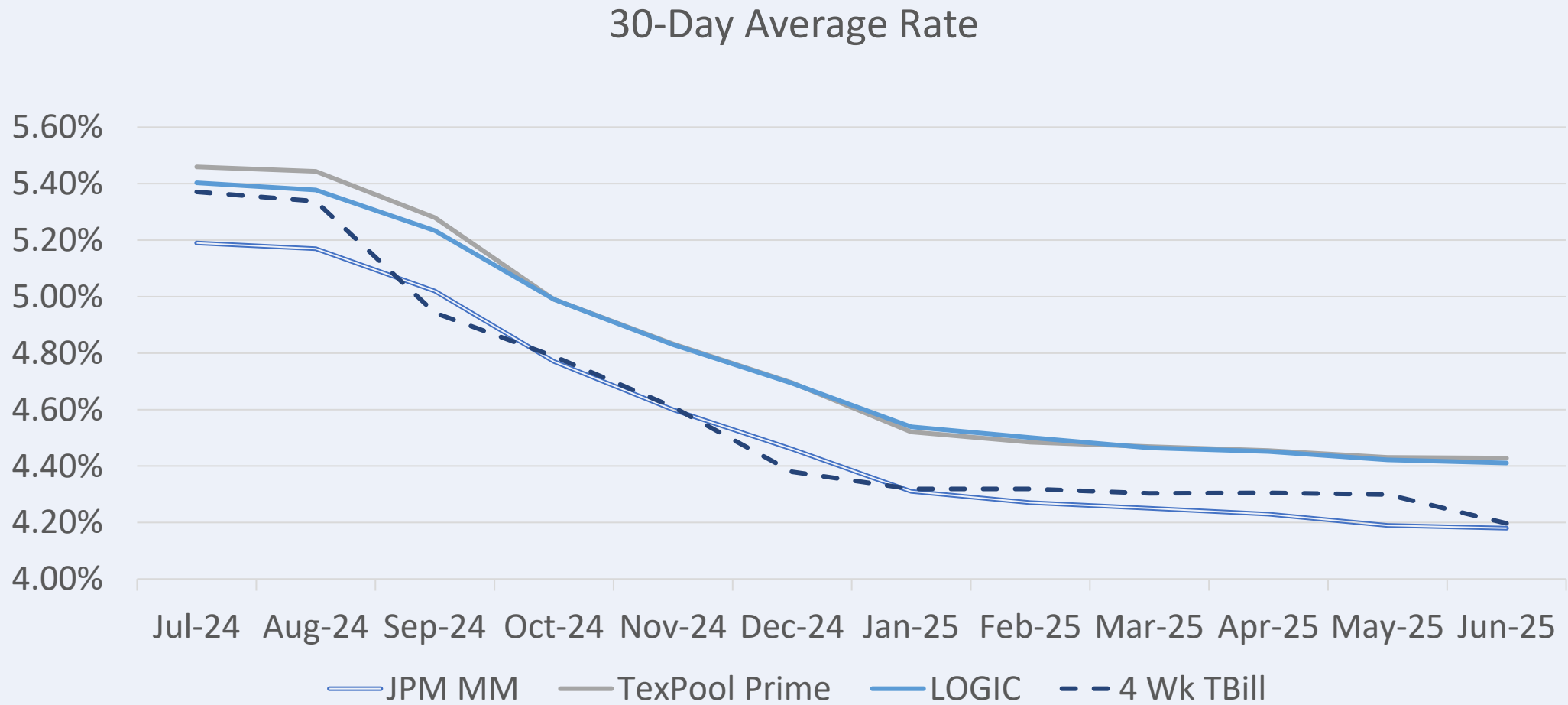
HFC LLC's	
Depository Account	\$---
LOGIC	---
TexPool Prime	---
Money Market Fund	91,592
	<hr/>
	\$91,592

Foundation	
Depository Account	\$87,517
LOGIC	---
TexPool Prime	---
Money Market Fund	---
	<hr/>
	\$87,517

LLC Entities

- Savannah at Lakeview
 - GP LLC, Development LLC, Holdings LLC, Contractor LLC
- Enclave Rowlett
 - GP LLC, Development LLC, Holdings LLC
- IHFC Texas LLC

Monthly Average Rates (Past 12 Months)



Observations

Rowlett HFC

- Majority of funds invested in LGIPs that compose primarily commercial paper as of 6/30/2025
 - Texpool Prime – 66% CP, 34% Repo; AAAM rating
 - LOGIC – 86% CP, 14% Repo, 1% UST; AAAM rating

Foundation

- Funds are held in a non-interest-bearing account

HFC LLC's

- Funds are held in a money market fund comprising 32% UST, 29% US Govt Agency Repo, 20% US Govt Agencies, 18% UST Repo; AAAM rating

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Questions?
