

Rowlett Housing Finance Corporation

Board of Directors' Meeting Minutes: November 18, 2020, 9:00 a.m. Video Conference

Board Members:

Present by Zoom Conference: President Barbara Holst, Vice-President Karl Crawley, Riki Harper, Dan Pence, and Rick Sheffield, Past President and Executive Director,

Absent: Debby Bobbitt

Quorum present? Yes

Others Present via conf: Ryan Bowen, Chapman Cutler; Tim Nelson, Hilltop Securities

1. Call to order.

The meeting was called to order at 9:04 a.m. by President Barbara Holst.

2. Consider action to approve the October 14, 2020 meeting minutes.

The minutes were passed by unanimous consent.

3. Consider action to approve the October 26, 2020 special meeting minutes.

The minutes were passed by unanimous consent.

4. Hear presentation on October 2020 financials.

Staff presented the operating cash flows for the month of October 2020. It was noted that both credit cards had been compromised and the bank had some confusion on posting debits during the transition. All expenses have now been accounted for. The D&O insurance policy has been renewed for another year.

5. Hear presentation regarding HFC liability exposure for off-site improvements made by developers.

Ryan Bowen presented to the Board and discussed the differing levels of protection offered to the HFC. The General Partner and other LLC entities are created to help create a liability shield for the HFC as they are separate entities that are indemnified by the developer. The developer is actually taking on the risk for off site improvements as the HFC is solely the partner for the development of the residences.

6. Consider action to approve a resolution to identify members of the Board that are approved to act on behalf of the Housing Finance Corporation as the partner in the Cypress Creek Apartment Homes development.

Staff updated the Board regarding the Bonner Carrington application to TDHCA for the Cypress Creek Apartment Homes project. TDHCA noted a deficiency in the application as it did not specify who may act on behalf of the HFC Board (the nonprofit participant). Ryan Bowen indicated that this was a relatively new requirement from TDHCA and that they have created the proposed resolution for other HFCs that they represent.

Riki Harper made a motion to approve the resolution naming all officers, including the Executive Director, may act on behalf of the HFC. Karl Crawley seconded the motion which passed unanimously (4-0).

7. New/Other Business

President Holst informed the Board that the contract for the Executive Director expires on December 31, 2020. She appointed Karl Crawley and Dan Pence to a subcommittee to review and prepare a contract for FY2021.

Staff updated the Board on the various developments that are ongoing and requested the Board's availability for the December 16, 2020 Board of Directors' meeting.

8. Adjourn

The meeting adjourned at 9:43 a.m.

DocuSigned by:
Barbara Holst

Barbara Holst, President

DocuSigned by:
Rick Sheffield

Rick Sheffield, Secretary

Date approved: 12/16/2020