

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF
TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE
HELD ON THE 27TH DAY OF JUNE, 1977 AT 3:30 P. M.

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The call of the roll disclosed the presence or absence of
Directors as follows:

PRESENT

Wayne E. Newton
Clyde A. Penry
J. Oliver Shannon
C. Victor Thornton
Murray Kyger

Also present were Messrs. Joe B. Hogsett, Honorary Chairman of the Board of Directors; William Brown, General Counsel for the District; R. M. Doby, Manager of Fiscal Affairs of the District; Star-Telegram Reporter and Ben Hickey, General Manager of the District.

Director Newton acted in his capacity as President and Director Shannon acted in his capacity as Secretary, whereupon proceedings were had and done as follows:

1.

On motion duly made and seconded, the minutes of the meeting held June 6, 1977 were read and approved by the Directors and it was accordingly ordered that such minutes be placed in the permanent files of the District.

2.

On motion of Director Penry, seconded by Director Kyger, voucher-checks #19470 thru #19599 inclusive, Maintenance Fund, in the amount of \$136,112.06; voucher-checks #5657 thru #5708 inclusive, Revenue Fund, in the amount of \$262,259.85; voucher-checks #3547 and #3548, Construction Fund, in the amount of \$2,003.50 and voucher-check

#573, Interest and Sinking Fund, in the amount of \$3,321.52 were approved and ordered paid. All Directors voted aye thereon.

3.

President Newton stated that prior to this meeting all Directors had been presented, for their consideration, a recommended Preliminary Budget, by Management of the District, as required by the Trust Indenture, for the Cedar Creek Project and following a review Director Penry made a motion, seconded by Director Kyger, and unanimously approved, that the following preliminary budget be now adopted to wit:

TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE
CEDAR CREEK PROJECT
PRELIMINARY BUDGET FOR THE YEAR, 1978

CASH AND INVESTMENTS JANUARY 1, 1978		\$2,150,000.00
ADD: Projected Income		
Water Sales	\$3,750,000.00	
Interest on Investments	350,000.00	
Installment on Notes Receivable	85,000.00	
Interest on Notes Receivable	80,000.00	
Lease Rentals	30,000.00	
	<u>4,295,000.00</u>	<u>4,295,000.00</u>
		\$6,445,000.00
LESS: Projected Expenditures		
Capital Expenditures	\$ 50,000.00	
Maintenance Expenses	350,000.00	
Pipeline Operations	550,000.00	
Debt Service	3,768,551.25	
	<u>4,718,551.25</u>	<u>4,718,551.25</u>
CASH & INVESTMENTS - DECEMBER 31, 1978		<u>\$1,726,448.75</u>

4.

President Newton stated that prior to this meeting all Directors had been furnished information, relative to the establishing of the tax rate for 1978, reflecting a detailed breakdown of expenditures estimated to be required for the Interest and Sinking and

Maintenance Funds; following a general discussion, and with the recommendation of management of the District, Director Penry made a motion seconded by Director Kyger and unanimously passed, that the current ad valorem tax rate of TWENTY-FIVE (25¢) CENTS per each \$100.00 valuation applicable to the properties within the taxing jurisdiction of the District as placed on the tax rolls of Tarrant County by its Assessor-Collector be adopted for 1978, and that the revenues produced by said rate be allocated as follows:

TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE
PROGRAM "A", "B" AND "D"
PROJECTION OF INCOME FROM TAX COLLECTIONS FOR THE YEAR, 1978

1977 TAX ROLL	\$819,160,912.00
ADD: Estimated Increase in Valuation	40,000,000.00
	<u>\$859,160,912.00</u>
TAX RATE 25¢	
Estimated Current Collection for the year 1978	\$ 2,029,767.65
Delinquent Collections	60,000.00
	<u>\$ 2,089,767.65</u>

	<u>CURRENT</u>	<u>DELINQUENT</u>	<u>TOTAL</u>
15¢ Maintenance Fund	\$1,217,860.59	\$ 36,000.00	\$1,253,860.59
10¢ Interest & Sinking Fund	<u>811,907.06</u>	<u>24,000.00</u>	<u>835,907.06</u>
	<u>\$2,029,767.65</u>	<u>\$ 60,000.00</u>	<u>\$2,089,767.65</u>

TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE
PROGRAM "A", "B" AND "D"
MAINTENANCE FUND
BUDGET FOR THE YEAR, 1978

JANUARY 1, 1978 - CASH AND INVESTMENTS	\$1,750,000.00
INCOME	
Tax Collections	\$1,253,860.59
Lease Rentals	50,000.00
Oil and Gas Royalties	192,000.00
Sale of Water	100,000.00
Interest Income	105,000.00
Miscellaneous	24,000.00
	<u>1,724,860.59</u>
	\$3,474,860.59

EXPENDITURES		
Administrative Expense	\$ 311,000.00	
Maintenance Expense	1,130,000.00	
Eagle Mountain	88,000.00	
Bridgeport	75,000.00	
Insurance	88,000.00	
F. I. C. A. Taxes	70,000.00	
Retirement Plan	125,000.00	
Capital Expenditures	<u>150,000.00</u>	<u>2,037,000.00</u>

BALANCE DECEMBER 31, 1978 CASH & INVESTMENTS \$1,437,860.59

TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE
PROGRAM "A", "B" AND "D"
INTEREST AND SINKING FUND
BUDGET FOR THE YEAR, 1978

1- 1-78 CASH AND INVESTMENTS		\$2,000,000.00
INCOME		
Tax Receivable	\$835,907.06	
Installment on Notes Receivable	142,000.00	
Interest	<u>175,000.00</u>	<u>1,152,906.06</u>
		\$3,152,907.06

EXPENDITURES		
Assessing & Collecting Fees	\$ 62,000.00	
Debt Service		
Interest		
Series 1950	15,626.25	
Series 1965	62,705.00	
Second Series 1965	169,492.50	
Series 1950	15,626.25	
Series 1965	62,705.00	
Second Series 1965	169,492.00	
Bonds		
Series 1950	452,000.00	
Series 1965	110,000.00	
Second Series 1965	<u>250,000.00</u>	<u>1,369,647.50</u>

12-31-78 CASH AND INVESTMENTS \$1,783,259.56

5.

The Directors were presented the Monthly Financial Report regarding Receipts and Disbursements for Program "A", "B" and "D" and Cedar Creek Project, for the month of May, 1977, from the Auditor

of the District, which was ordered accepted and placed in the District's Files.

6.


There was presented to the Directors, for their consideration, a request for authority to permit a division of liability of the note and deed of trust, recorded in Vol. 84, Page 753 in the Deed Records of Henderson County, Texas, which was executed by Sentry Development Corporation in the current amount now due the District of \$605,573.20, which note was the consideration for the sale by District of some of its surplus land.

Mr. William Brown, Counsel for the District, reviewed the matter at length and following a detailed discussion, Director Thornton moved and the motion was seconded by Director Shannon and unanimously carried, that upon recommendation of management of the District and approval by Counsel of the District, the officers of the District now be authorized to execute the necessary instruments to divide the lien of the Deed of Trust and sell the above between (a) Oakridge Holdings, Inc., Chicago, Illinois for \$300,000.00 and (b) Drovers National Bank, Chicago, Illinois for \$305,573.20 on terms and conditions as presented and incorporated in said instruments.

7.

There being no further business before the Board of Directors, the meeting adjourned.


Secretary


President