



NOTICE OF SPECIAL MEETING

NOTICE IS HEREBY GIVEN THAT THE ROCKWALL COUNTY COMMISSIONERS COURT WILL MEET IN A SPECIAL MEETING ON AUGUST 19, 2025, AT 10:00 A.M. AT THE ROCKWALL COUNTY HISTORIC COURTHOUSE, 3rd FLOOR, 101 EAST RUSK, CITY OF ROCKWALL, FOR THE PURPOSE OF CONSIDERING THE FOLLOWING:

- A) **INVOCATION;** Commissioner Macalik
- B) **PLEDGE OF ALLEGIANCE TO THE AMERICAN FLAG;** Commissioner Stacy
- C) **PLEDGE OF ALLEGIANCE TO THE TEXAS FLAG;** Commissioner Stacy
- D) **RECOGNITION GUESTS;**

AGENDA:

1. **PUBLIC FORUM:** (This is the public's opportunity to address the Commissioners Court about County matters. During this meeting, the Commissioners Court will not discuss, consider or take action on any item not included on this meeting's agenda. We respectfully ask that anyone stepping forward to speak during the Public Forum to please limit remarks to three minutes or less.)
2. Discussion of the yield reduction reporting and arbitrage payment for the Rockwall County Permanent Improvement Bonds, Series 2020 for the installment computation period ending June 11, 2025, and all related issues; (Commissioner Liechty – Treasurer)
3. **APPROVAL OF ACCOUNTS, BILLS, CLAIMS, AND PAYROLL(S)**
4. **EXECUTIVE SESSION:** The Commissioners Court of Rockwall County reserves the right to adjourn into Executive Session at any time during the course of this meeting to discuss any of the matters listed in this agenda item, in the order deemed appropriate, as authorized by Chapter 551, Open Meetings, Subchapter D, Texas Government Code, or to seek the advice of its attorney.
 - a) **Pending or Contemplated Litigation and Attorney-Client Information:**
 - b) **Real Estate Matters:**
 - c) **Personnel Matters:**
 - d) **Advice of Counsel:**
 - e) **Security Related Matters:**
 - f) **Contract Deliberations:**
 - g) **Economic Development Prospects:**
5. **RECONVENE IN OPEN SESSION:** Pursuant to the Open Meetings Act, Chapter 551, Texas Government Code, Section 551.001, *et seq.*, the Commissioners Court will reconvene into Open Session to take any action necessary on matters discussed in Executive Session.
6. **COMMISSIONERS COURT REPORTS:**

Pursuant to Texas Government Code Section 551.0415, the County Judge and the County Commissioners may report on the following items: (1) expression of thanks, congratulations or condolences; (2) information about holiday schedules; (3) recognition of individuals; (4) reminders about upcoming County events; (5) information community events; (6) announcements involving an imminent threat to public health and safety.

7. ADJOURN

NOTE: THE COMMISSIONERS COURT RESERVES THE RIGHT TO CONSIDER AND TAKE ACTION ON THE ABOVE AGENDA ITEMS IN ANY PARTICULAR ORDER. THE ROCKWALL COUNTY COMMISSIONERS COURT COMPLIES WITH A.D.A. REQUIREMENTS. THE HISTORIC COURTHOUSE IS ACCESSIBLE TO INDIVIDUALS WITH DISABILITIES VIA THE EMPLOYEE'S ENTRANCE LOCATED IN THE REAR OF THE HISTORIC COURTHOUSE. PARKING FOR INDIVIDUALS WITH DISABILITIES IS LOCATED IN THE REAR OF THE COURTHOUSE AT THE EMPLOYEE'S ENTRANCE. IF YOU PLAN TO ATTEND THIS PUBLIC MEETING AND YOU HAVE A DISABILITY THAT REQUIRES SPECIAL ARRANGEMENTS AT THE MEETING, PLEASE CALL AT LEAST 48 HOURS IN ADVANCE OF THE MEETING AT (972) 204-6000.

1. **PUBLIC FORUM:** (This is the public's opportunity to address the Commissioners Court about County matters. During this meeting, the Commissioners Court will not discuss, consider or take action on any item not included on this meeting's agenda. We respectfully ask that anyone stepping forward to speak during the Public Forum to please limit remarks to three minutes or less.)



DRAFT

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COMMISSIONERS COURT SPECIAL MEETING AGENDA REQUEST FORM

NAME: Commissioner Liechty

COURT DATE: August 19, 2025

ACTION TO BE TAKEN BY COURT:

Discussion of the yield reduction reporting and arbitrage payment for the Rockwall County Permanent Improvement Bonds, Series 2020 for the installment computation period ending June 11, 2025, and all related issues;



Brian Helming
Managing Director

August 6, 2025

Mr. David Peek
County Treasurer
Rockwall County, Texas
1111 E. Yellow Jacket Lane
Suite 202
Rockwall, TX 75087-4916

\$80,165,000
Rockwall County, Texas
Permanent Improvement and Refunding Bonds, Series 2020
Unlimited Tax Road Bonds, Series 2020

Dear David:

Enclosed is a copy of the yield reduction report for the above-captioned bond issue for the installment computation period ending June 11, 2025. For this installment period, the yield reduction amount is greater than the rebate amount. Since the rebate amount is encompassed within the yield restriction amount, you are required to remit the higher yield restriction amount. The following information should be sent certified mail to the Internal Revenue Service no later than **Monday, August 11, 2025**:

- Check in the amount of \$1,300,363.48,
- Transmittal Letter (draft enclosed),
- Signed Form 8038-T (enclosed).

Enclose a check for this total amount made payable to the "United States Treasury." Include the issuer's name, address, EIN - Employer Identification Number, "Form 8038-T," and the date on the payment. The Form 8038-T must be ***signed by an authorized representative*** of the Issuer (the individual who normally signs IRS Form 8038-G for new bond issues). ***The signature cannot be a facsimile or electronic signature.*** Please send us a copy of the check, the date-stamped certified-mail receipt and the signed Form 8038-T for our records. If you have any questions, please do not hesitate to contact me at 1-800-678-3792 or directly at (214) 953-8716.

Sincerely,

A handwritten signature in dark ink that reads "Brian Helming". The signature is written in a cursive, flowing style.

Brian Helming

direct 214.953.8716 toll free 800.678.3792
fax 214.840.5040
brian.helming@hilltopsecurities.com
717 N. Harwood Street, Suite 3400, Dallas, TX 75201



Brian Helming
Managing Director

August 6, 2025

Mr. David Peek
County Treasurer
Rockwall County, Texas
1111 E. Yellow Jacket Lane
Suite 202
Rockwall, TX 75087-4916

\$80,165,000
Rockwall County, Texas
Permanent Improvement and Refunding Bonds, Series 2020
Unlimited Tax Road Bonds, Series 2020

In accordance with the terms of the "Agreement for Arbitrage Rebate Compliance Services", we have completed the determination of the yield reduction amount pursuant to Section 1.148-5(c) of the 1993 Treasury Regulations.

The computation of the yield reduction amount, included in this report, covers the period from June 11, 2020 (the "delivery date of the Obligations") through June 11, 2025 (the "Installment Computation Date"). The period from the delivery date of the Obligations to the Installment Computation Date is hereinafter referred to as the "Yield Reduction Payment Period."

In order to determine the yield reduction amount for the Yield Reduction Payment Period, we were provided with all information regarding the issuance of the Obligations and the investment of the gross proceeds, as well as other information as deemed necessary under the circumstances. We did not perform any procedures to test the accuracy of the information provided to us. Certain information and definitions used in preparing the attached schedules are described in the Summary of Computational Information.

direct 214.953.8716 toll free 800.678.3792
fax 214.840.5040
brian.helming@hilltopsecurities.com
717 N. Harwood Street, Suite 3400, Dallas, TX 75201

Based upon the computations included in this report, the yield reduction amount for the above-defined Yield Reduction Payment Period is summarized as follows:

Summary of Rebatable Arbitrage (see separate Arbitrage Rebate Report):

Actual Interest Earnings	\$	3,192,818.52
Allowable Interest Earnings at Bond Yield	\$	3,100,947.06
Cumulative Rebatable Arbitrage (net of allowable rebate credits)	\$	<u>91,871.46</u>

Summary of Yield Reduction Amount:

Actual Interest Earnings	\$	2,064,757.30
Allowable Interest Earnings at Materially Higher Yield	\$	764,393.82
Cumulative Yield Reduction	\$	<u>1,300,363.48</u>

Summary of Total Yield Reduction Payment:

Total Yield Reduction Payment Due		
(yield reduction amount greater than rebate amount)	\$	<u>1,300,363.48</u>

Payment Due Date:

Monday, August 11, 2025

The yield reduction amount was determined using the provisions of the 1993 Treasury Regulations Section 1.148 [T.D. 8476]. These regulations may be revised or replaced and, accordingly, the computations contained in this report may be subject to modification in order to comply with the revised regulations, if any, when issued. The terms of our engagement are such that we have no obligation to update the results of this report for events occurring or information coming to our attention subsequent to the date of this report.

We appreciate this opportunity to serve you. If you have any questions regarding the computations contained in this report, please do not hesitate to contact us.

Sincerely,

HILLTOP SECURITIES ASSET MANAGEMENT, LLC.



Brian Helming

SUMMARY OF COMPUTATIONAL INFORMATION

ROCKWALL COUNTY, TEXAS

COMPUTATIONAL INFORMATION:

1. The following information was used to compute the debt service requirements and yield on the Obligations for the Computation Period:

Dated Date:	June 11, 2020
Delivery Date:	June 11, 2020
First Coupon Date:	February 1, 2021

2. Principal amounts, interest rates, and reoffering prices are as shown in the section entitled "Computation of Yield on the Obligations." The target used for computing the yield on the Obligations was as follows:

Issue price to the public	\$92,169,613.10
Accrued Interest on the Obligations	<u>0.00</u>
Target	<u><u>\$92,169,613.10</u></u>

3. Computations of yield are based upon a 360-day year and semiannual compounding.
4. The yield used in computing the yield reduction amount was the yield on the Obligations, increased by one-eighth of one percent (the "Materially Higher Yield").
5. Pursuant to Treasury Regulation §1.148-4(b)(3), if a fixed yield bond is subject to optional early redemption and is issued at an issue price that exceeds the stated redemption price at maturity by more than one-fourth of one percent multiplied by the product of the stated redemption price at maturity and the number of complete years to the first optional redemption date for the bond, the yield on the issue containing the bond is computed by treating the bond as redeemed at its stated redemption price on the optional redemption date that would produce the lowest yield.
6. The value of any fixed rate investments outstanding on the Computation Date was determined by calculating the present value of future receipts on the Computation Date using the purchased yield on the investments. The value of variable rate investments outstanding on the Computation Date was determined by using the investment's fair market value on that date. Premiums and discounts from the purchase of securities are treated as an adjustment to actual interest earned when the investment matures or is sold. Gains and losses from the sale of securities are treated as an adjustment to actual interest earned during the Computation Period.
7. The purchase price of investments is assumed to be at their fair market value, representing an arm's-length transaction which did not result in an abusive arbitrage device by reducing the yield reduction amount required to be paid to the United States. The purchase price is also assumed to exclude all costs which are not qualified administrative costs.

SUMMARY OF COMPUTATIONAL INFORMATION (continued)**ROCKWALL COUNTY, TEXAS**

8. Upon delivery of the Obligations on June 11, 2020, \$21,022,041.00 of sale proceeds were used to purchase U.S. Treasury Securities – State and Local Government Series. These securities, along with an initial cash deposit of \$1.98, were placed in an escrow to currently refund certain outstanding obligations. The current refunding proceeds were excluded from the computation of the yield reduction amount.
9. On June 11, 2020, the Obligations were used to refund the following Bonds (the “Refunded Bonds”):

Refunded Bonds	Maturities Refunded	Call Date	Amount Refunded
Series 2010 Refunding	2/1/21 – 2/1/34	7/14/20	\$3,095,000
Series 2010 Road Bonds	2/1/21 – 2/1/34	7/14/20	\$1,695,000
Series 2012A Road Bonds	2/1/21 – 2/1/33	7/14/20	\$16,265,000

An escrow was established with proceeds of the Obligations to pay principal and interest requirements of the Refunded Bonds. For purposes of calculating the yield reduction amount on the Obligations, a portion of the remaining proceeds of the Refunded Bonds transfer to the Obligations as the escrow retires principal of the Refunded Bonds. There are no transferred proceeds with respect to the Obligations because all proceeds of the Refunded Bonds have been expended prior to the date on which amounts are disbursed from the Escrow Fund to pay principal of the Refunded Bonds.

10. The County has commingled the proceeds of the Unlimited Tax Road Bonds in the Construction Fund with proceeds of various other bond issues. For purposes of calculating the yield reduction amount, the proceeds of the Obligations were treated as expended on a first-in, first-out basis, pursuant to Treasury Regulation §1.148-6(d)(1)(i). In addition, interest earnings were allocated to the Obligations using the average daily balances associated with the Obligations, pursuant to Treasury Regulation §1.148-6(e)(2)(ii)(A).
11. Pursuant to Treasury Regulation §1.148-2(a), certain proceeds qualified for an original temporary period and could be invested in higher yielding investments without causing bonds in the issue to be arbitrage bonds. At the end of the temporary period, these proceeds will be restricted to a yield materially higher than the yield on the bonds, or will qualify for a yield reduction payment in accordance with Treasury Regulation §1.148-5(c). Through the Computation Period, these proceeds are yielding higher than the yield on the bonds.
12. Through the computation date, the cumulative yield of all restricted investments has exceeded the yield on the Obligations. As a result, the restricted investments allocable to gross proceeds of the Obligations are generating a yield restriction liability.

SUMMARY OF COMPUTATIONAL INFORMATION (continued)

ROCKWALL COUNTY, TEXAS

13. Under IRC §148(e), a bond of an issue is not an arbitrage bond solely because of the investment in higher yielding investments of gross proceeds of the issue in an amount not exceeding the lesser of 5% of the sale proceeds of the issue or \$100,000. The portion of the yield restricted amount that is not in excess of \$100,000 qualifies for the minor portion and was not included in calculating the yield reduction amount.
14. Pursuant to Treasury Regulation §1.148-2(e)(6) investment proceeds qualify for a one-year temporary period beginning on the date of receipt.

DEFINITIONS

15. **Yield:** That yield, which, when used in computing the present worth of all payments of principal and interest to be paid on an obligation during the Computation Period, produces an amount equal to, in the case of the Obligations, the initial offering price to the public, and in the case of the investments, the fair market value on the date the investment becomes a nonpurpose investment.
16. **Allowable Earnings:** The amount that would have been earned if all investments had been invested at a rate equal to the materially higher yield on the Obligations.
17. **Excess Earnings:** The excess of actual investment earnings over the allowable earnings.
18. **Yield Reduction Payment:** Cumulative excess earnings, plus cumulative interest earnings thereon, of yield restricted investments.
19. **Materially Higher Yield:** Pursuant to Treasury Regulation §1.148-2(d), the yield on investments is materially higher than the yield on the issue to which the investments are allocated if the yield on the investments over the term of the issue exceeds the yield on the issue by an amount in excess of the definition of materially higher set forth below:

General rule for purpose and nonpurpose investments: For purpose and nonpurpose investments, materially higher means one-eighth of 1 percentage point.



August 11, 2025

Certified Mail

Department of the Treasury
Internal Revenue Service Center
Ogden, Utah 84201-0027

RE: Yield Reduction Payment

\$80,165,000
Rockwall County, Texas
Unlimited Tax Road Bonds, Series 2020 and
Permanent Improvement and Refunding Bonds, Series 2020

Enclosed is a check in the amount of \$1,300,363.48 representing an installment of a yield reduction payment for the above-captioned bond issue pursuant to the 1993 Treasury Regulations Section 1.148-5(c). The enclosed check represents payment of the entire yield reduction amount.

If you have any questions, please do not hesitate to contact me at (972) 204-6100.

Sincerely,

A handwritten signature in cursive script that reads "David E. Peek".

David E. Peek
Rockwall County Treasurer
1111 E Yellowjacket Ln, Ste 306
Rockwall, TX 75087



ACCOUNTS

BILLS

CLAIMS

PAYROLL (S)

DRAFT

Rockwall County, Texas
Office of the Auditor

UNPAID CLAIMS

August 19, 2025

I approve the following unpaid claims and hereby request the Court's approval.


Lisa Constant Wylie, County Auditor

SUMMARY OF UNPAID CLAIMS TO BE APPROVED

Total Unpaid Claims

\$ 1,338,942.94

APPROVED BY COMMISSIONERS COURT:

Frank New, County Judge

Bobby Gallana, Commissioner Pct. 1

Dana Macalik, Commissioner Pct. 2

Lorne Liechty, Commissioner Pct. 3

John Stacy, Commissioner Pct. 4

ATTEST:

Jennifer Fogg, County Clerk

Date

DATE 08/13/2025 10:22:46

ACCOUNTS PAYABLE REGISTER

VCH100 PAGE 1

ALL RECORDS FROM 08/19/2025 TO 08/19/2025 BATCH NO. 6B 87

VENDOR NAME	ACCOUNT NUMBER	ACCOUNT NAME	ITEM/REASON	INVOICE NUMBER	AP DATE	PD PO NO	AMOUNT
BROADBUSH & ASSOCIATES 1301 S CAPITAL OF TEXAS SUITE A-302 AUSTIN TX 78746	2025 048-800-410	CONSULTING SERVICE	MAY25 ANNEX-CONSULT	2270700-32	08/13/25	10 053125	11,140.96
	2025 048-800-410	CONSULTING SERVICE	JUN25 ANNEX-CONSULT	2270700-33	08/13/25	10 063025	9,355.61
	2025 048-806-410	CONSULTING SERVICE	MAY25 SF RENOV-CONS	2412030-07	08/13/25	10 053125	6,152.86
	2025 048-806-410	CONSULTING SERVICE	JUN25 SF RENOV-CONS	2412030-08	08/13/25	10 063025	10,805.03
							37,454.46
DEPARTMENT OF THE TREASURY INTERNAL REVENUE SERVICE OGDEN UT 84201	2025 081-800-812	FY25 IRS ARBITRAGE	YIELD REDUCT/2020 B	08-11-25	08/13/25	11 081125	1,300,363.48
							1,300,363.48
HILLTOP SECURITIES ASSET ATTN:ARBITRAGE REBATE DE 717 N. HARWOOD ST. SUITE DALLAS TX 75201	2025 001-400-410	PROFESSIONAL FEES	ARBITRAGE/2020 BOND	R21785	08/13/25	11 080625	1,125.00
							1,125.00
TOTAL CHECKS TO BE WRITTEN							1,338,942.94

DRAFT

EXECUTIVE SESSION



EXECUTIVE SESSION: The Commissioners Court of Rockwall County reserves the right to adjourn into Executive Session at any time during the course of this meeting to discuss any of the matters listed in this agenda item, in the order deemed appropriate, as authorized by Chapter 551, Open Meetings, Subchapter D, Texas Government Code, or to seek the advice of its attorney.

- a) **Pending or Contemplated Litigation and Attorney-Client Information:**
- b) **Real Estate Matters:**
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- f) **Contract Deliberations:**
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RECONVENE IN OPEN SESSION: Pursuant to the Open Meetings Act, Chapter 551, Texas Government Code, Section 551.001, *et seq.*, the Commissioners Court will reconvene into Open Session to take any action necessary on matters discussed in Executive Session.

COMMISSIONERS COURT REPORTS:

Pursuant to Texas Government Code Section 551.0415, the County Judge and the County Commissioners may report on the following items: (1) expression of thanks, congratulations or condolences; (2) information about holiday schedules; (3) recognition of individuals; (4) reminders about upcoming County events; (5) information community events; and (6) announcements involving an imminent threat to public health and safety.

ADJOURN