



AGENDA
WATAUGA ECONOMIC DEVELOPMENT CORPORATION
REGULAR MEETING
7105 WHITLEY ROAD, WATAUGA, TEXAS 76148
TUESDAY, JULY 19, 2022
6:30 PM

CALL TO ORDER

ROLL CALL

ANNOUNCEMENTS

PRESENTATIONS

1. Retail Coach to provide a presentation/update to the WEDC board on new business attraction in the City of Watauga.
Arthur Miner, Mayor

PUBLIC COMMENT If speaking for an organization or group, the speaker should identify the group represented. If speaking during Public Comment (for matters not posted on that particular meeting's agenda), members of the City Council and Staff may only provide a statement of factual information in response to the inquiry or recite existing policy in response (e.g., to correct a factual misstatement made by the citizen or provide factual information requested by the citizen). Any deliberation of or decision about the subject of the inquiry shall be limited to a proposal to place the subject on the agenda for a future meeting. If necessary, the Chair will task the City Manager to respond to the citizen and report back to the City Council as soon as practicable. Such report to the City Council shall not constitute a meeting called by the City Council nor shall it constitute deliberation or formal action. Individual citizens addressing the City Council during Public Comment shall not exceed three (3) minutes in their comments; however, the Chair may extend or reduce the speaker's allotted time in order to conduct an efficient and effective public meeting. The time allotted shall not be donated to others desiring to speak. Public Comment is not established to engage in a conversation with the Council and no formal Council action will be taken.

PUBLIC TESTIMONY FOR ACTION ITEMS Only those persons who submit a completed Request to Speak form prior to the agenda item being introduced by the Chair will be allowed to speak on agenda items set for action (this doesn't include presentations or reports). The Chair shall ask each person requesting to speak to approach the podium when called to speak. Speakers time shall generally not exceed three (3) minutes in their comments and all comments

must be germane to the specific agenda item being discussed; however, the Chair may extend or reduce the speaker's allotted time. Speakers shall not be permitted to donate their time to other speakers. Members of the City Council may ask questions or discuss the item directly with the citizen during the citizen's testimony if necessary. Any discussion between a Council member and the citizen will not count toward the time limit and Council Members are encouraged not to speak until the citizen has first utilized their allocated time.

REPORTS FROM STAFF

CONSENT AGENDA All of the items on the consent agenda are considered to be self-explanatory by the Council and will be enacted with one motion, one second, and one vote. There will be no separate discussion of these items.

1. Consider approval of the Monthly Financial Report for the period ending May 31, 2022
2. Review and consider approval of the WEDC minutes for the June 21, 2022 meeting.

PUBLIC HEARINGS / ACTION

ACTION ITEMS

1. Discuss and consider adopting a resolution of the Watauga Economic Development Corporation establishing and approving the Corporation's Fiscal Year Budget for FY2022-2023; providing for all anticipated expenditures; directing the Executive Director to submit it to the City Secretary's Office for City Council consideration to approve the budget and related operational expenditures; and providing an effective date

Sandra Gibson, Director of Finance

Joshua Jones, City Manager

2. Discuss and consider action to revise the fee schedule for advertising on the WEDC digital signs.

Lorenza Zavala, Administrative Assistant

3. Consider action on a Staffing and Reimbursement Agreement between the Watauga Economic Development Corporation and the City of Watauga for personnel and services

Sandra Gibson, Director of Finance

Joshua Jones, City Manager

ITEMS FOR FUTURE AGENDAS

EXECUTIVE SESSION The WEDC will recess its open meeting and reconvene in executive session to discuss the following items pursuant to the below referenced section(s) of the Texas Government Code:

RECONVENE The WEDC will return to open session in the City Council Chamber for possible discussion and action as a result of the Executive Session.

ITEMS OF EXECUTIVE SESSION DELIBERATION:

ADJOURNMENT

Meeting Notices and Reservation of Rights

The Watauga Economic Development Corporation Board of Directors may retire to executive session any time between the meeting's opening and adjournment for the purpose of consultation with legal counsel pursuant to Chapter 551.071 of the Texas Government Code; discussion of personnel matters pursuant to Chapter 551.074 of the Texas Government Code if the requisite information is otherwise posted; deliberation regarding real property pursuant to Chapter 551.072 of the Texas Government Code; deliberation regarding economic development negotiations pursuant to Chapter 551.087 of the Texas Government Code; and/or deliberation regarding the deployment, or specific occasions for implementation of security personnel or devices pursuant to Chapter 551.076 of the Texas Government Code (as applicable) when determined necessary by the to address a subject matter on the agenda. Action, if any, will be taken in open session.

Attendance by Other Elected or Appointed Officials: It is anticipated that members of other governmental bodies, and/or city council, boards, commissions and/or committees may attend the meeting in numbers that may constitute a quorum of the body, board, commission and/or committee. Notice is hereby given that the meeting, to the extent required by law, is also noticed as a possible meeting of the other body, board, commission and/or committee, whose members may be in attendance, if such numbers constitute a quorum. The members of the city council, boards, commissions and/or committees may be permitted to participate in discussions on the same items listed on the agenda which occur at the meeting, but no action will be taken by such in attendance unless such item and action is specifically provided for on an agenda for that city council, body, board, commission or committee subject to the Texas Open Meetings Act.

NOTICE

THIS FACILITY IS WHEELCHAIR ACCESSIBLE AND ACCESSIBLE PARKING SPACES ARE AVAILABLE. REQUESTS FOR ACCOMMODATIONS OR INTERPRETIVE SERVICES MUST BE MADE 48 HOURS PRIOR TO THIS MEETING. PLEASE CONTACT THE CITY SECRETARY'S OFFICE AT (817) 514-5825, OR FAX (817) 514-3625.

I, Linda Proskey, City Secretary for the City of Watauga, hereby certify that this agenda was posted on the bulletin boards at City Hall, 7105 Whitley Road, Watauga, Texas, on July 15, 2022, before 6:00 p.m., in accordance with Chapter 551 of the Texas Government Code.



Linda Proskey, City Secretary





AGENDA MEMORANDUM

DATE: June 30, 2022

TO: Watauga Economic Development Corporation Directors

FROM: Sandra Gibson, Director of Finance

SUBJECT: Consider approval of the Monthly Financial Report for the period ending May 31, 2022

BACKGROUND/INFORMATION:

The Monthly Financial Report for the period ending May 31, 2022 is attached for the Board's review.

FINANCIAL IMPLICATIONS:

N/A

RECOMMENDATION/ACTION DESIRED:

Staff recommends the Board review and accept the Monthly Financial Report for the period ending May 31, 2022.

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

1. EDC Monthly Financial Report -May 2022

REVIEWED BY:

Lorenza Zavala, Administrative Assistant

David Berman, City Attorney

Joshua Jones, City Manager

Linda Proskey, City Secretary

Approved as to form for inclusion on Agenda

Approved - 7/12/2022

Approved - 7/13/2022

Approved - 7/13/2022

Final Approval - 7/13/2022



AGENDA MEMORANDUM

DATE: July 12, 2022

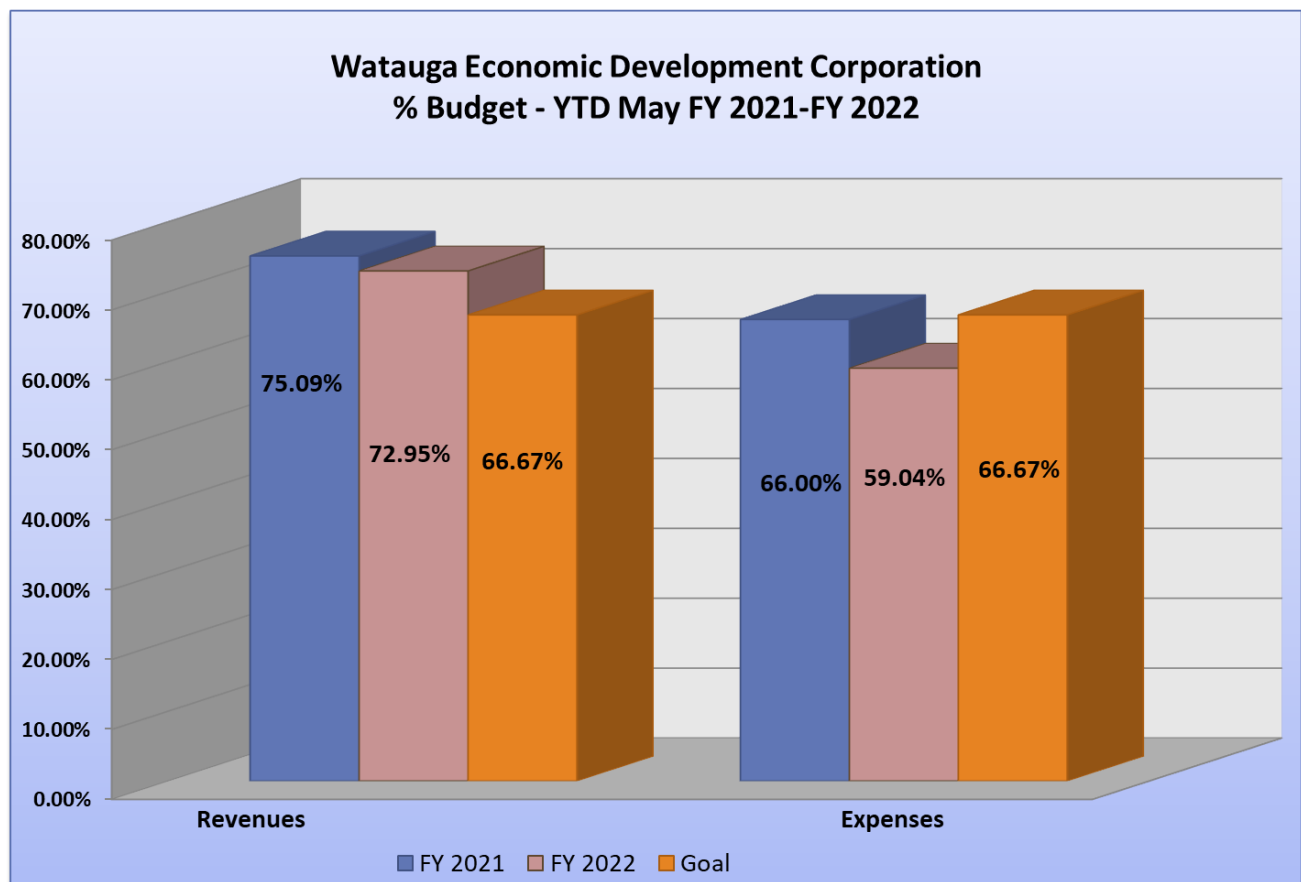
TO: Watauga Economic Development Board

FROM: Sandra Gibson, Director of Finance

SUBJECT: Financial Report for the Month of May, 2022

The attached report and below graph represent the results of transactions through May, 2022 which is 67% through the FY2021-FY2022 budget.

The EDC sales tax distribution for the month of April was received on Friday, June 10th and receipts were 8.7% higher than prior year. Year-to-date sales tax revenues are estimated to be at 73% of budget collected through May, 2022. Total year-to-date expenditures are \$324,305 which is 59% of the budget expended for the year.





CITY OF WATAUGA
BUDGET TO ACTUAL COMPARISON
FISCAL YEAR 2022
For the period ending May 31, 2022 (3rd FY Qtr.)

WATAUGA ECONOMIC DEVELOPMENT CORP - 04

	CURRENT BUDGET	5/31/2022 YTD ACTUAL	% USED	% REMAINING	5/31/2021 YTD ACTUAL	\$ CHG 22 vs 21	% CHG 22 vs 21
REVENUE:							
SALES TAX	814,000	596,459	73.28%	26.72%	559,279	37,181	6.65%
INTEREST EARNINGS	2,000	2,492	124.60%	-24.60%	759	1,733	228.53%
INTEREST/ESCROW	-	-	-	-	-	-	-
CONTRIBUTIONS/OTHER	5,000	-	-	-	-	-	-
TOTAL REVENUE	\$821,000	\$598,951	72.95%	27.05%	\$560,037	\$38,914	6.95%
PERSONNEL SERVICES	-	-	0.00%	0.00%	-	-	0.00%
NON-DEPARTMENTAL	-	-	0.00%	0.00%	-	-	0.00%
SUPPLIES	1,100	(13)	-1.14%	101.14%	821	(833)	-101.52%
MAINTENANCE	900	-	0.00%	0.00%	-	-	0.00%
CONTRACTUAL & SUNDRY	141,690	56,399	39.80%	60.20%	70,474	(14,074)	-19.97%
TRANSFERS	401,878	267,918	66.67%	33.33%	259,523	8,396	3.24%
CAPITAL OUTLAY	3,700	-	0.00%	100.00%	-	-	0.00%
TOTAL EXPENDITURES	\$549,268	\$324,305	59.04%	40.96%	\$330,817	(\$6,512)	-1.97%
EXCESS REVENUE OVER (UNDER) EXPENDITURES	\$271,733	\$274,646			\$229,220	\$45,426	

**MINUTES
WATAUGA ECONOMIC DEVELOPMENT CORPORATION
REGULAR MEETING
TUESDAY, JUNE 21, 2022
7105 WHITLEY ROAD, WATAUGA, TEXAS 76148
6:30 PM**

CALL TO ORDER

President Miner called the meeting to order at 6:30 p.m.

ROLL CALL

Arthur L. Miner
Calvin Lewis
Jan Hill
Malissa Minucci
Mike Alexander
Toni Leber

Place 1, President
Place 2, Director
Place 3, Secretary
Place 4, Vice President
Place 5, Director
Place 6, Director
Place 7, Vacant

Others present include:

Andrew Neal
Lovie Downey
Joshua Jones
Samantha Ortega
Sandra Gibson

Council Place 4, Mayor Pro Tem
Council Place 3, Councilmember
City Manager
Records Clerk
Director of Finance

ANNOUNCEMENTS

Mayor Miner- Cyber security training, get it done if you haven't already.
Place 5 Mike Alexander put in his resignation letter to the board.

PRESENTATIONS

PUBLIC COMMENT

Requests for public comments were not received.

PUBLIC TESTIMONY FOR ACTION ITEMS

REPORTS FROM STAFF

CONSENT AGENDA

1. Consider acceptance of the Monthly Financial Report for the period ending April 30, 2022.
2. Consider action to approve a resolution of the Board of Directors to approve a Purchase and Sale Agreement for the purchase of the property located at 7200

Denton Highway, Watauga, TX, for the amount of \$200,000.00.

3. Consider action to approve a resolution of the Board of Directors to approve a Purchase and Sale Agreement for the purchase of the property located at 5650 Watauga Road, Watauga, TX, in the amount of \$175,000.00.

4. Consider action to approve the WEDC meeting minutes from May 17, 2022

Motion: Director Calvin Lewis makes a motion that the agenda is accepted as presented.

Second the motion: Director Minucci, I second.

5-0-0

Ayes: Jan Hill, Toni Leber, Malissa Minucci, Mike Alexander, Calvin Lewis

Nays: None

Absent: None

Abstain: None

PUBLIC HEARINGS / ACTION

1. Public Hearing on the Proposed FY2022-2023 Watauga Economic Development Budget

Director Gibson- Budget adoption is slated for July 19th and to council for further approval.

No Questions

Public hearing open at 6:35 pm closed 6:35pm.

ACTION ITEMS

ITEMS FOR FUTURE AGENDAS

Director Jan Hill- Reconsideration of prices on the electronic signs.

EXECUTIVE SESSION

RECONVENE

ITEMS OF EXECUTIVE SESSION DELIBERATION:

ADJOURNMENT

President Miner adjourned the meeting at 6:37 PM.

APPROVED: this _____ day of _____, 2022.

SIGNED: this _____ day of _____, 2022.

APPROVED:

Arthur L. Miner, President

ATTEST:

Jan Hill, Secretary

NOTE: Original Audio and Video Recording of this meeting is preserved and maintained by the City Secretary's Office



AGENDA MEMORANDUM

DATE: June 30, 2022

TO: Watauga Economic Development Corporation Directors

FROM: Sandra Gibson, Director of Finance

SUBJECT: Discuss and consider adopting a resolution of the Watauga Economic Development Corporation establishing and approving the Corporation's Fiscal Year Budget for FY2022-2023; providing for all anticipated expenditures; directing the Executive Director to submit it to the City Secretary's Office for City Council consideration to approve the budget and related operational expenditures; and providing an effective date

BACKGROUND/INFORMATION:

The required Public Hearing was held on June 16, 2022 to allow for citizen input on the FY2022-2023 Proposed Budget for the Watauga Economic Development Corporation Budget.

The Board must take action on approval and adoption of the Watauga Economic Development Corporation Budget and provide approval to submit it to the City Council. The Board may still make budget changes to the budget before approval. Staff recommends a change to the sales tax to reflect higher than anticipated sales tax receipts for projected 2021-2022 and a smaller increase in anticipated receipts for FY2022-2023 than in the original proposed budget. Additionally, a revised allocation for personnel expenses is included due to the compensation and classification study adopted in June, 2022. Due to the purchase of property approved by the board and City Council, the projected 2021-2022 projected amount has been increased and a resolution to amend the budget will be included for the board's approval. A revised fund summary is attached that reflects these changes.

The Watauga Economic Development Corporation Budget is attached for review and consideration.

FINANCIAL IMPLICATIONS:

Revenues and expenditures as shown on attached Proposed Budget.

RECOMMENDATION/ACTION DESIRED:



AGENDA MEMORANDUM

Respectfully recommend the Board review and approve a resolution approving and recommending approval to the City Council of the FY 2022-23 Watauga Economic Development Proposed Budget

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

1. Res approving WEDC 2022-2023 Budget 07192022
2. WEDC PROPOSED BUDGET FY2022-2023 (original)
3. BUDGET SUMMARY -04 FY2022-2023 revised
4. BUDGET SUMMARY -05 FY2022-2023 revised
5. EDC ALLOCATION WORKSHEET (2023) rev

REVIEWED BY:

Lorenza Zavala, Administrative Assistant

David Berman, City Attorney

Joshua Jones, City Manager

Linda Proskey, City Secretary

Approved as to form for inclusion on Agenda

Approved - 7/12/2022

Approved - 7/13/2022

Approved - 7/13/2022

Final Approval - 7/13/2022

WATAUGA ECONOMIC DEVELOPMENT CORPORATION
RESOLUTION NO. 2022-_____

A RESOLUTION OF THE WATAUGA ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS ESTABLISHING AND APPROVING THE CORPORATION'S FISCAL YEAR BUDGET FOR FY2022-2023; PROVIDING FOR ALL ANTICIPATED EXPENDITURES; DIRECTING THE EXECUTIVE DIRECTOR TO SUBMIT THE BUDGET TO THE CITY SECRETARY'S OFFICE FOR CITY COUNCIL CONSIDERATION TO APPROVE THE BUDGET AND APPROVE THE RELATED OPERATIONAL EXPENDITURES; AND PROVIDING AN EFFECTIVE

WHEREAS, on May 17, 2022, the Watauga Economic Development Corporation Board was presented with a proposed budget for FY2022-2023; and

WHEREAS, the Board finds the proposed budget for FY2022-2023 provides for the projected revenue and expenses of the Corporation for the upcoming fiscal year; and

WHEREAS, the Board finds it necessary and appropriate to approve the corporation's Budget for the fiscal year beginning October 1, 2022 and ending September 30, 2023 (Fiscal Year 2022-2023) for final consideration and approval by City Council in accordance with Section 501.072(a) of the Texas Local Government Code; and

WHEREAS, the Board find it necessary to direct its Executive Director to submit the approved Budget to the City Council of the City of Watauga, Texas, for consideration and approval; and

WHEREAS, Section 501.073 of the Local Government Code authorizes the corporation's authorizing unit to approve programs and expenditures and annually review the financial statements of the corporation; and

WHEREAS, the Executive Director has certified the availability for appropriations revenues available from fund balance and interest earnings; and

WHEREAS, in accordance with state law and the City Charter, the WEDC Board is of the opinion that the budget should be approved.

NOW, THEREFORE, BE IT RESOLVED by the Watauga Economic Development Corporation Board of Directors that:

Section 1. The statements set forth in the recitals of this resolution are true and correct, and the WEDC hereby incorporates such recitals as a part of this resolution.

- Section 2. The Watauga Economic Development Corporation Budget for Fiscal Year 2022-2023 is approved as shown in Exhibit A, which is attached hereto and incorporated herein for all purposes.
- Section 3. This resolution shall be and is hereby cumulative of all other resolutions of the WEDC and this resolution shall not operate to repeal or affect any such other resolutions except insofar as the provisions thereof might be inconsistent or in conflict with the provisions of this resolution, in which event such conflicting provisions, if any, in such other resolution or resolutions are hereby repealed.
- Section 4. If any section, subsection, sentence, clause, or phrase of this resolution shall for any reason be held to be invalid, such decision shall not affect the validity of the remaining portions of this resolution.
- Section 5. This resolution shall become effective and be in full force and effect from and after the date of passage and adoption by the Board of Directors of the WEDC, and upon all subsequent approvals thereof as prescribed by law.

PASSED AND ADOPTED by the Watauga Economic Development Corporation on this 19th day of July 2022.

APPROVED

Arthur L. Miner, President

ATTEST:

Jan Hill, Secretary

APPROVED AS TO FORM AND LEGALITY:

David Berman, Corporation General Counsel

PROPOSED BUDGET



FISCAL YEAR 2022-2023

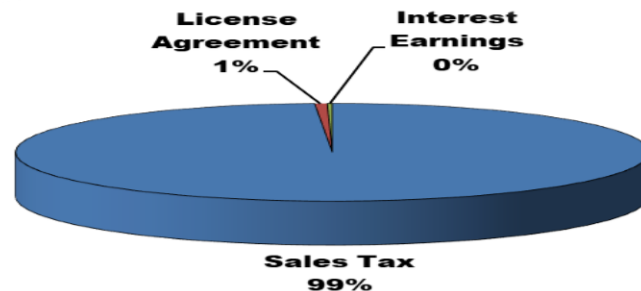
SPECIAL REVENUE FUNDS

ECONOMIC DEVELOPMENT CORPORATION (FORMERLY PARKS DEVELOPMENT CORPORATION)

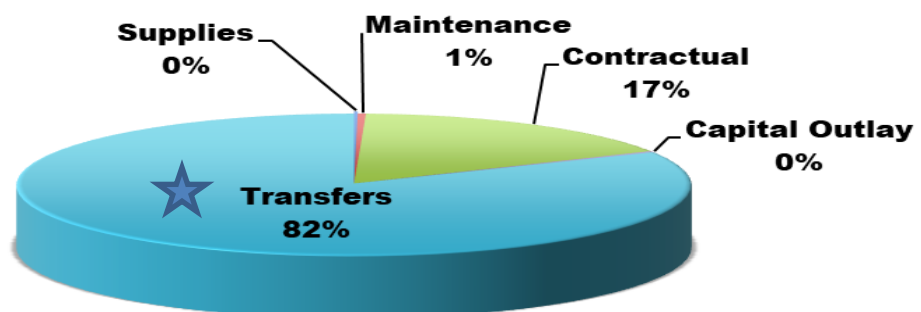
Voters established the Watauga Parks Development Corporation Sales Tax Fund to account for a ½ cent sales tax increase in May 1994 under the 4b Economic Development Legislation. The purpose of the increase in sales tax is to build city parks and improve existing parks under the supervision of the Watauga Parks Development Corporation. In May 2012, voters approved a reduction of the sales and use tax for the Watauga Parks Development Corporation to ¼ of one percent and reallocate ¼ of one percent for maintenance and repairs of municipal streets. This reduction took place on October 1, 2012. In FY2018-2019 the corporation's name was changed to Economic Development Corporation and the focus was redirected to economic development within the City. Sales tax revenues for FY2022-2023 are expected to be \$972,000.

This Special Revenue Fund is used to account for specific revenues that are legally restricted to expenditures for particular purposes. The fund is accounted for on the modified accrual basis of accounting. Revenues are recorded when available and measurable, and expenditures are recorded when liability is incurred.

Where Does the Money Come From?



Where Does the Money Go?



Note: Transfers to general fund cover personnel expenses and debt

SPECIAL REVENUE FUNDS

ECONOMIC DEVELOPMENT CORPORATION BUDGET SUMMARY - FUND 04

	HISTORY		PROJECTED YEAR		BUDGET	%CHANGE
	2019-2020 Actual	2020-2021 Actual	2021-2022 Current Budget	2021-2022 Projected	2022-2023 Budget	FY2022-2023 vs 2021-2022
Fund Balance, October 1*	\$880,886	\$1,242,173	\$1,538,356	\$1,631,096	\$2,088,418	
<u>Revenues:</u>						
Sales Taxes	744,464	865,622	814,000	925,000	972,000	19.4%
License Agreement - Property	0	0	0	0	0	0.0%
Proceeds From Sale of Assets	0	850	0	0	0	0.0%
Interest Earnings	5,301	1,207	2,000	2,000	2,500	25.0%
License Agreement - Services	0	0	5,000	2,000	5,000	0.0%
Operating Revenues	\$749,765	\$867,679	\$821,000	\$929,000	\$979,500	19.3%
Total Available Resources	\$1,630,651	\$2,109,852	\$2,359,356	\$2,560,096	\$3,067,918	
<u>Expenditures:</u>						
Business Retention	7,684	6,437	21,610	3,500	8,650	-60.0%
Business Attraction	49,775	28,493	36,750	26,250	24,200	-34.1%
General Administration	36,549	64,042	89,030	40,050	56,200	-36.9%
Operating Expenditures	94,008	98,973	147,390	69,800	89,050	-39.6%
<u>Operating Transfers-Out</u>						
To General Fund	194,292	222,281	254,800	254,800	262,900	3.2%
To Internal Service Fund	0	0	0	0	0	0.0%
To Capital Projects Fund	0	0	0	0	0	0.0%
To Debt Service	100,178	157,503	147,078	147,078	153,200	4.2%
Total Operating Transfers-Out	294,470	379,784	401,878	401,878	416,100	3.5%
TOTAL OPERATING & TRANSFERS	\$388,478	\$478,757	\$549,268	\$471,678	\$505,150	-8.0%
Fund Balance, September 30	\$1,242,173	\$1,631,096	\$1,810,088	\$2,088,418	\$2,562,768	
CHANGE IN FUND BALANCE	\$361,287	\$388,923	\$271,732	\$457,323	\$474,350	

*Includes debt service fund balance

SPECIAL REVENUE FUND

DEPARTMENT: ECONOMIC DEVELOPMENT

DIVISION / ACTIVITY: ECONOMIC DEVELOPMENT CORPORATION – FUND 04

LOCATION:

7105 Whitley Road

Watauga, Texas 76148

Phone Number: 817-514-5800

HOURS OF OPERATION:

Monday – Friday

8:00 A.M. – 5:00 P.M.

MISSION / PROGRAMS / SERVICES:

To advance the economic strength of Watauga through business and community support programs, public education, and strategic partnerships.

FY2021-2022 HIGHLIGHTS/ ACHIEVEMENTS:

- Elite Sponsor of Watauga Fest 2022
- Updated the online open portal business directory hosted by BluDot Technologies
- Purchased two (2) land parcels to be used for economic development opportunities
- Reorganized specific personnel to provide more focused support for the WEDC
- Completed the development and launch of the WEDC website

FY2022-2023 GOALS/ OBJECTIVES:

- Develop a Business Retention Program
- Complete a Food Business Park area included in Capp Smith Park
- Continue support of Shop Small Business programs
- Continue Business Spotlight video series
- Continue New Business Attraction through Retail Coach contract

MAJOR BUDGETARY ISSUES AND OPERATIONAL TRENDS:

The local economy began a resurgence during the fiscal year following the downturn that was a result of the COVID virus resulting in sales tax revenues that were much higher than anticipated in the adopted 2021-2022 budget, with year-end projections of +13.6%. This trend is projected to continue, with much of the economy back to “normal”, however, inflation on the national scale caused and continue to cause workforce and supply chain issues for both the public and private sectors.

SPECIAL REVENUE FUND

DEPARTMENT: ECONOMIC DEVELOPMENT					
DIVISION / ACTIVITY: ECONOMIC DEVELOPMENT CORPORATION - FUND 04					
EXPENDITURES	2019-2020 ACTUAL	2020-2021 ACTUAL	2021-2022 BUDGET	2021-2022 PROJECTED	2022-2023 PROPOSED
Supplies	\$606	\$1,051	\$1,100	\$300	\$900
Maintenance	\$0	\$0	\$900	\$0	\$2,000
Contractual/Sundry	\$93,402	\$97,922	\$141,690	\$69,500	\$84,950
Capital Outlay	\$0	\$0	\$3,700	\$0	\$1,200
Transfers	\$294,470	\$379,784	\$401,878	\$401,878	\$416,100
TOTAL	\$388,478	\$478,757	\$549,268	\$471,678	\$505,150
PERFORMANCE MEASURES / SERVICE LEVELS					
<i>Input / Demand</i>	<i>Actual 20-21</i>	<i>Budget 21-22</i>	<i>Projected 21-22</i>	<i>Budget 22-23</i>	
Staff Dedicated	0.50	0.50	1.00	2.0	
Volunteers	0	0	0	0	
Inquiries Received	N/A	20	10	20	
<i>Output/ Workload</i>	<i>Actual 20-21</i>	<i>Budget 21-22</i>	<i>Projected 21-22</i>	<i>Budget 22-23</i>	
Project Files Opened	N/A	N/A	5	10	
Cilents Served	N/A	N/A	10	15	
Jobs Created	N/A	N/A	25	35	
Potential New Business Calls/Contacts	N/A	N/A	55	100	
Responses Submitted	N/A	N/A	N/A	155	
Board Meetings Held	N/A	12	12	12	
<i>Efficiency Measures / Impact</i>	<i>Actual 20-21</i>	<i>Budget 21-22</i>	<i>Projected 21-22</i>	<i>Budget 22-23</i>	
M & O percentage of City budget	0.010	0.010	0.009		
M & O budget per capita	20.14	23.11	19.84	20.70	
<i>Effectiveness Measures / Outcomes</i>	<i>Goals</i>	<i>Actual 20-21</i>	<i>Budget 21-22</i>	<i>Projected 21-22</i>	<i>Budget 22-23</i>
Business Retention Visits	3	N/A	N/A	120	120
Small Business Development Assistance	3, 4, 6, 7	N/A	N/A	N/A	5
Economic Development Agreements	3, 4, 11	N/A	N/A	2	5
Redevelopment Projects	3, 4	N/A	20	0	5
New Development Projects	3, 4	N/A	2	2	5



SPECIAL REVENUE FUNDS

BUDGET CHANGES

Fiscal Year 2022-2023 Compared to Fiscal Year 2021-2022 Original Budget

DEPARTMENT: ECONOMIC DEVELOPMENT				
DIVISION / ACTIVITY: ECONOMIC DEVELOPMENT CORPORATION - FUND 04				
DESCRIPTION	CATEGORY	ONE-TIME	ON-GOING	CHANGE EXPLANATION
CHANGES:				
Business Retention - Special Services	Contractual/Sundry		(\$10)	minor adjustment in business anniversaries
Business Retention - Advertising	Contractual/Sundry		(\$500)	advertising adjustments
Business Retention - Contractual Svcs	Contractual/Sundry		(\$13,450)	Programs Adjustments
Business Retention - Events	Contractual/Sundry		\$1,000	State of the City Program
Business Attraction - Advertising	Contractual/Sundry		(\$6,600)	Programs Adjustment Needs
Business Attraction - Contractual Svcs	Contractual/Sundry		(\$6,000)	Program Cost Reduction
Business Attraction - Events	Contractual/Sundry		\$50	Program Cost Adjustment
General Administration - Office Supplies	Supplies		(\$100)	Estimated Needs Adjustment
General Administration - Postage	Supplies		(\$100)	Estimated Needs Adjustment
General Administration - Software Maint.	Maintenance		\$1,100	Software Price Increase & Addition
General Administration - Travel	Contractual/Sundry		\$600	Additional Needs for ED Coordinator Position
General Administration - Dues & Subsc.	Contractual/Sundry		\$1,100	Additional Dues for ED Coordinator Position
General Administration - Training	Contractual/Sundry		(\$5,000)	Training Adjustments
General Administration - Printing & Binding	Contractual/Sundry		(\$830)	Printing Needs Adjustment
General Administration - Attorney	Contractual/Sundry		(\$25,000)	Estimated Legal Costs Adjustment
General Administration - Community Relations	Contractual/Sundry		(\$1,200)	Community Enrichment Center Gala Deletion
General Administration - Contractual Svcs	Contractual/Sundry		(\$10,000)	Gov Pilot Deletion
General Administration - Contractual Svcs	Contractual/Sundry		\$1,500	Zac Tax Sales Tax Platform Addition
General Administration - Contractual Svcs	Contractual/Sundry		\$7,600	Interactive Web Map & WEDC Website
General Administration - Capital Outlay	Contractual/Sundry	(\$2,500)		Delete Financial Impact Analysis Software
Transfers	Transfers	\$14,223		
TOTALS:		\$11,723	(\$55,840)	

(\$44,117) NET INCREASE/DECREASE

Allocations Information



SCHEDULE A - Estimated Costs for Economic Development Corporation 2022-2023		
<i>Salary/ Benefits Personnel</i>		
Department	Tasks performed for the EDC	Estimated Cost
City Secretary's Office	Records Retention/PIA/Minutes/Resolutions/Agenda Posting	\$15,500
Finance	Financial Reporting, Budget, Annual Report, Audit, Purchasing, Accounts Payable	\$3,300
Information Technology	Marketing /Website/Projects/Updates	\$61,200
Public Works	Project Coordination/Oversight/P&Z	\$4,650
City Manager - TOTAL	EDC Director, Business Retention, Economic Development	\$174,500
Sub-total		\$259,150
<i>Other Items</i>		
Annual Audit Allocation	4% of Total	\$2,400
Codification Fees	15% of Total	\$1,350
Sub-total		\$3,750
GRAND TOTAL		\$262,900

SPECIAL REVENUE FUNDS
ECONOMIC DEVELOPMENT CORPORATION
BUDGET SUMMARY
FUND 05 - CAPITAL PROJECTS

	HISTORY		PROJECTED YEAR		BUDGET
	2019-2020 Actual	2020-2021 Actual	2021-2022 Budget	2021-2022 Projected	2022-2023 Proposed
Fund Balance, October 1	\$244,179	\$38,835	\$29,835	\$38,660	\$33,760
<u>Revenues:</u>					
Interest Earnings	989	61	500	100	100
Proceeds from Sale of Assets	0	0	0	0	0
Transfer from PDC Sales Tax Fund	0	0	0	0	0
Other Financing Sources	0	0	0	0	0
Matching Grants	0	0	0	0	0
Total Revenues	\$989	\$61	\$500	\$100	\$100
Total Available Resources	\$245,167	\$38,896	\$30,335	\$38,760	\$33,860
<u>Expenditures:*</u>					
Shade Structure - BISD Park	0	0	0	0	0
Foster Village Improvements	0	0	0	0	0
Shade Structure - Indian Springs	0	0	0	0	0
Park Equipment (Picnic Pads, etc.)	0	0	0	0	0
Capp Smith Park Improvements	206,332	236	0	0	0
Capp Smith Improvements EDC	0	0	0	0	0
Contingency	0	0	10,000	5,000	10,000
Total Expenditures	206,332	236	10,000	5,000	10,000
<u>Other Expenditures</u>					
Transfer to PDC Debt Service	0	0	0	0	0
Total Other Sources (Uses)	0	0	0	0	0
REVENUES OVER (UNDER) EXPENSES	(\$205,343)	(\$175)	(\$9,500)	(\$4,900)	(\$9,900)
Fund Balance, September 30	\$38,835	\$38,660	\$20,335	\$33,760	\$23,860
CHANGE IN FUND BALANCE	(\$205,343)	(\$175)	(\$9,500)	(\$4,900)	(\$9,900)

SPECIAL REVENUE FUNDS

ECONOMIC DEVELOPMENT CORPORATION BUDGET SUMMARY - FUND 04

	HISTORY		PROJECTED YEAR		BUDGET	%CHANGE
	2019-2020 Actual	2020-2021 Actual	2021-2022 Current Budget	2021-2022 Projected	2022-2023 Budget	FY2022-2023 vs 2021-2022
Fund Balance, October 1*	\$880,886	\$1,242,173	\$1,538,356	\$1,631,096	\$1,713,418	
<u>Revenues:</u>						
Sales Taxes	744,464	865,622	814,000	925,000	952,000	17.0%
License Agreement - Property	0	0	0	0	0	0.0%
Proceeds From Sale of Assets	0	850	0	0	0	0.0%
Interest Earnings	5,301	1,207	2,000	2,000	2,500	25.0%
License Agreement - Services	0	0	5,000	2,000	5,000	0.0%
Operating Revenues	\$749,765	\$867,679	\$821,000	\$929,000	\$959,500	16.9%
Total Available Resources	\$1,630,651	\$2,109,852	\$2,359,356	\$2,560,096	\$2,672,918	
<u>Expenditures:</u>						
Business Retention	7,684	6,437	21,610	3,500	8,650	-60.0%
Business Attraction	49,775	28,493	36,750	26,250	24,200	-34.1%
General Administration	36,549	64,042	89,030	40,050	56,200	-36.9%
Operating Expenditures	94,008	98,973	147,390	69,800	89,050	-39.6%
<u>Operating Transfers-Out</u>						
To General Fund	194,292	222,281	254,800	254,800	266,500	4.6%
To Internal Service Fund	0	0	0	0	0	0.0%
To Capital Projects Fund	0	0	0	375,000	0	0.0%
To Debt Service	100,178	157,503	147,078	147,078	153,200	4.2%
Total Operating Transfers-Out	294,470	379,784	401,878	776,878	419,700	4.4%
TOTAL OPERATING & TRANSFERS	\$388,478	\$478,757	\$549,268	\$846,678	\$508,750	-7.4%
Fund Balance, September 30	\$1,242,173	\$1,631,096	\$1,810,088	\$1,713,418	\$2,164,168	
CHANGE IN FUND BALANCE	\$361,287	\$388,923	\$271,732	\$82,323	\$450,750	

*Includes debt service fund balance

SPECIAL REVENUE FUNDS
ECONOMIC DEVELOPMENT CORPORATION
BUDGET SUMMARY
FUND 05 - CAPITAL PROJECTS

	HISTORY		PROJECTED YEAR		BUDGET
	2019-2020 Actual	2020-2021 Actual	2021-2022 Budget	2021-2022 Projected	2022-2023 Proposed
Fund Balance, October 1	\$244,179	\$38,835	\$29,835	\$38,660	\$33,760
<u>Revenues:</u>					
Interest Earnings	989	61	500	100	100
Proceeds from Sale of Assets	0	0	0	0	0
Transfer from EDC Sales Tax Fund	0	0	0	375,000	0
Other Financing Sources	0	0	0	0	0
Matching Grants	0	0	0	0	0
Total Revenues	\$989	\$61	\$500	\$375,100	\$100
Total Available Resources	\$245,167	\$38,896	\$30,335	\$413,760	\$33,860
<u>Expenditures:*</u>					
Purchase of Property	0	0	0	375,000	0
Foster Village Improvements	0	0	0	0	0
Shade Structure - Indian Springs	0	0	0	0	0
Park Equipment (Picnic Pads, etc.)	0	0	0	0	0
Capp Smith Park Improvements	206,332	236	0	0	0
Capp Smith Improvements EDC	0	0	0	0	0
Contingency	0	0	10,000	5,000	10,000
Total Expenditures	206,332	236	10,000	380,000	10,000
<u>Other Expenditures</u>					
Transfer to PDC Debt Service	0	0	0	0	0
Total Other Sources (Uses)	0	0	0	0	0
REVENUES OVER (UNDER) EXPENSES	(\$205,343)	(\$175)	(\$9,500)	(\$4,900)	(\$9,900)
Fund Balance, September 30	\$38,835	\$38,660	\$20,335	\$33,760	\$23,860
CHANGE IN FUND BALANCE	(\$205,343)	(\$175)	(\$9,500)	(\$4,900)	(\$9,900)

SPECIAL REVENUE FUNDS
ECONOMIC DEVELOPMENT CORPORATION
BUDGET SUMMARY
FUND 05 - CAPITAL PROJECTS

SCHEDULE A - Estimated Cost for Economic Development Corporation 2022-2023 REVISED		
<i>Salary/ Benefits Personnel</i>		
Department	Tasks performed for the EDC	Estimated Cost
City Secretary - TOTAL	Records Retention/PIA/Minutes/Resolutions/Agenda Posting	\$16,800
Finance - TOTAL	Financial Reporting, Budget, Annual Report, Audit, Purchasing, Accounts Payable	\$3,500
Information Technology - TOTAL	Marketing /Website/Projects/Updates	\$60,300
Public Works/Parks - TOTAL	Project Coordination/Oversight	\$7,150
City Manager's Office	EDC Director, Business Retention, Economic Development Duties	\$175,000
Sub-total		\$262,750
<i>Other Items</i>		
Annual Audit Allocation	4% of Total	\$2,400
Codification Fees	15% of Total	\$1,350
Sub-total		\$3,750
GRAND TOTAL		\$266,500



AGENDA MEMORANDUM

DATE: July 7, 2022

TO: Watauga Economic Development Corporation Directors

FROM: Sandra Gibson, Director of Finance

SUBJECT: Consider action on a Staffing and Reimbursement Agreement between the Watauga Economic Development Corporation and the City of Watauga for personnel and services

BACKGROUND/INFORMATION:

The attached Staffing and Reimbursement Agreement and Attachment A estimates fees to be charged through an interfund transfer to the Watauga Economic Development Corporation based on an allocation prepared each fiscal year during the budget process for matters benefiting the WEDC. The Texas Constitution requires the City to recover any costs provided for the benefit of the Corporation through a contractual agreement. The amount estimated for FY2022-2023 is \$266,500 and is included in the Proposed FY2022-2023 Economic Development Corporation Budget.

The Agreement would begin October 1, 2022 and terminate September 30, 2023 if approved by the Board.

FINANCIAL IMPLICATIONS:

The amount estimated for FY2022-2023 is \$266,500 .

RECOMMENDATION/ACTION DESIRED:

Respectfully recommend the Board review and take action to approve the agreement.

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

1. Staffing and Reimbursement Agreement Draft 2022-2023
2. EDC ALLOCATION WORKSHEET (2023) rev

REVIEWED BY:

Lorenza Zavala, Administrative Assistant
David Berman, City Attorney
Joshua Jones, City Manager
Linda Proskey, City Secretary

Approved - 7/11/2022
Approved - 7/12/2022
Approved - 7/12/2022
Final Approval - 7/12/2022

Approved as to form for inclusion on Agenda

**STAFFING AND REIMBURSEMENT AGREEMENT BETWEEN THE CITY
OF WATAUGA AND THE WATAUGA ECONOMIC DEVELOPMENT
CORPORATION FOR PERSONNEL AND SERVICES.**

This Agreement for Staffing and Reimbursement Agreement between the City of Watauga and the Watauga Economic Development Corporation for Personnel and Services (this "Agreement") is entered into by and between the following Parties; the City of Watauga, a Home Rule City located in Watauga, Texas, (the "City") and the Watauga Economic Development Corporation, Texas, (the "WEDC") a political subdivision of the State of Texas, Tarrant County, (individually a "Party" and collectively the "Parties").

WHEREAS, pursuant to The Texas Development Corporation Act, Texas Local Government Code Chapters 501, 502 and 505 (the "Act"), the City created the WEDC and collects, on behalf of the WEDC, a sales and use tax, a portion of which may be used by WEDC to pay certain administrative costs; and

WHEREAS, the WEDC desires to utilize the services and support of certain City staff and contractors in furtherance of its work and the projects it undertakes to eliminate duplication of services and to promote economy and efficiency; and

WHEREAS, the City is prohibited by Texas Local Government Code §501.007 from granting public money or another thing of value in aid to the WEDC, except as provided for by a contract authorized by §380.002 of the Texas Local Government Code; and

WHEREAS, during the FY2019 Budget process the Board of Directors of the WEDC requested the City to allocate the costs of the parks staff to the general fund; and

WHEREAS, to more effectively and efficiently fulfill the WEDC's purpose, its Board of Directors of the WEDC and the City Council have determined that the WEDC's staffing needs can best be met by utilization of certain City employees and contractors; and

WHEREAS, the WEDC and the City of Watauga have determined that providing certain personnel and services, including personnel management, professional services, administrative services, financial management, oversight services and legal services to the WEDC will be mutually beneficial to the City and the WEDC, will promote local economic development, and will stimulate business and commercial activity within the City, all in furtherance of the purposes of the WEDC; and

WHEREAS, the cost for such services by city employees will be

accounted for and presented to the WEDC based on an allocation prepared each fiscal year during the budget process for matters benefiting the WEDC and the actual costs for any contracted services and related expenses will be charged directly to the WEDC; and

WHEREAS, the WEDC Board of Directors and the City Council wish to enter into the agreement to memorialize the terms and conditions under which City personnel and contractors shall serve the WEDC; and

NOW, THEREFORE, in consideration of the promises and mutual agreements hereinafter set forth, the Parties hereby do mutually agree as follows:

1.0 Purpose

The purpose of this agreement is to set out the terms and conditions by which the City of Watauga shall provide personnel and services to serve the needs of the WEDC.

2.0 Employees of the City

All personnel who are designated as City employees shall at all times remain solely employees of the City and shall not employees of the WEDC in any capacity. All personnel servicing this contract shall be subject to the City's Charter, ordinances and City personnel policies. The WEDC Board shall coordinate any staff directive through the City Manager.

3.0 Personnel Assigned to the WEDC and Reimbursement of Costs

Certain City employee positions shall be assigned to serve the WEDC for all or part of the positions' work schedules as set forth within Schedule A, attached hereto and made a part hereof for all purposes. Schedule A further provides the allocated charge for each employee position's service. On or before the 10th day of month the City shall transfer from the WEDC Fund to the General Fund an amount equal to the allocated charge for the personnel services and other services dedicated to WEDC for the previous month.

4.0 Breach

The failure of either Party to comply with its obligations under the agreement shall be considered a breach of this agreement. Should such a breach occur, the non-breaching Party shall provide breaching Party with at least 30 days written notice to cure its breach.

5.0 Waiver

The waiver by either Party of a breach of this agreement shall not constitute a continuing waiver of such breach or of a subsequent breach of the same or a different provision, unless so stipulated by the Party not in breach of this agreement.

6.0 Term

This Agreement shall remain in effect until September 30, 202~~4~~² and renews annually thereafter unless terminated by either of the Parties. Any notice of termination is not effective until the first day of the fiscal year following notice.

7.0 Texas Law to Apply

This agreement shall be construed under and in accordance with the laws of the State of Texas and all obligations of the Parties created hereunder are performable in Tarrant County, Texas.

8.0 Notice

All notices, whether for reimbursement or otherwise, shall be in writing and may be hand delivered, or sent by registered or certified mail, postage prepaid, return receipt requested to the following addresses:

City of Watauga
Attn: City Manager
7105 Whitley Rd.
Watauga, TX 76148

City of Watauga Economic Development Corporation
Attn: WEDC Board Chair
7105 Whitley Rd.
Watauga, TX 76148

9.0 Legal Construction

If any one or more of the provisions contained in this agreement shall for any reason be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this agreement shall be construed as if such invalid, illegal, or unenforceable provisions had never been contained herein.

This Agreement shall be for the sole and exclusive benefit of the City and the WEDC and shall not be construed to confer any benefit or right upon any other Parties.

10.0 Entire Agreement

This agreement supersedes any and all other agreements, either oral or in writing, between the Parties hereto with respect to the subject matter hereof and contains all of the covenants and agreements between the Parties with respect to said matter. Each Party to this agreement acknowledges that no representations, inducements, promises, or agreements, oral or otherwise, have been made by any Party or anyone acting on behalf of any Party which are not embodied herein and that no other agreements, statement, or promise not contained in this agreement shall be valid or binding. No modification concerning this instrument shall be of any force or effect, excepting a subsequent amendment in writing signed by the Parties. No official, representative, agent or employee of either entity, has any authority to modify this agreement except pursuant to express authority to do so granted by the governing body.

11.0 Parties Bound

This agreement shall be binding upon and inure to the benefit of the Parties to it and their respective legal representatives, successors and assigns where permitted by this agreement.

IN WITNESS WHEREOF, the City of Watauga and the Watauga Economic Development Corporation, have hereby entered into this agreement.

City

WEDC:

By: _____
Mayor

By: _____
President

Date: _____

Date: _____

SCHEDULE A - Estimated Cost for Economic Development Corporation 2022-2023 REVISED		
<i>Salary/ Benefits Personnel</i>		
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