



AGENDA
WATAUGA ECONOMIC DEVELOPMENT CORPORATION
REGULAR MEETING
7105 WHITLEY ROAD, WATAUGA, TEXAS 76148
TUESDAY, MAY 16, 2023
6:30 PM

CALL TO ORDER

ROLL CALL

ANNOUNCEMENTS

1. Chairperson to give a reminder about Cybersecurity training.
Arthur Miner, Mayor

PRESENTATIONS

1. Report and Update from Retail Coach.
Lorenza Zavala, Administrative Assistant
2. Presentation of a proclamation to Alliance Driving School in recognition of their 20 year milestone anniversary.
3. Presentation of a proclamation to Dekra State Inspections in recognition of their 15 year milestone anniversary.
4. Presentation of a proclamation to Dr. Ngo Kim Tien, DDS in recognition of their 20 year milestone anniversary.
5. Presentation of a proclamation to EECU in recognition of their 20 year milestone anniversary.
6. Presentation of a proclamation to Lone Star Black Belt Academy in recognition of their 15 year milestone anniversary.

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 Watauga Economic Development Corporation, 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 WEDC as soon as practicable. Such report to the WEDC shall not constitute a meeting called by WEDC nor shall it constitute deliberation or formal action. Individual citizens addressing the WEDC 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 WEDC and no formal 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 action on acceptance of the Annual Audit Results for the period ending September 30, 2022
2. Consider action on approval of the Monthly Financial Report for the period ending March 31, 2023
3. Consider action to approve the meeting minutes of the February 21, 2023 WEDC meeting.

PUBLIC HEARINGS / ACTION

ACTION ITEMS

1. Presentation and discussion on the Watauga Economic Development Corporation Proposed Budget for Fiscal Year 2023-2024
Sandra Gibson, Director of Finance
2. Consider action on setting a Public Hearing date to discuss the Watauga Economic Development Corporation Proposed Budget for Fiscal Year 2023-2024 during the regular meeting scheduled for June 20, 2023 at 6:30 p.m.
Sandra Gibson, Director of Finance
3. Consider action on setting the date of the WEDC Budget Adoption for July 18, 2023 and submittal to the City Secretary's Office for inclusion on the Council agenda
Sandra Gibson, Director of Finance

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:

1. The Corporation will conduct an executive session pursuant to Section 551.087, Texas Government Code (Economic Development Negotiations), to deliberate regarding negotiations on a 380 Agreement and to discuss commercial or financial information regarding a business prospect that the corporation seeks to have locate, stay or expand in the City, re: H6 Watauga LLC dba HTeaO.
2. The Corporation will conduct an executive session pursuant to Section 551.087, Texas Government Code (Economic Development Negotiations), to deliberate regarding negotiations on a 380 Agreement and to discuss commercial or financial information regarding a business prospect that the corporation seeks to have locate, stay or expand in the City, re: Janet's Bakeshop.

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:

1. Consider action on the executive session item - The Corporation will conduct an executive session pursuant to Section 551.087, Texas Government Code (Economic Development Negotiations), to deliberate regarding negotiations on a 380 Agreement and to discuss commercial or financial information regarding a business prospect that the corporation seeks to have locate, stay or expand in the City.re: H6 Watauga LLC dba HTeaO.
Joshua Jones, City Manager
2. Consider action on the executive session item - The Corporation will conduct an executive session pursuant to Section 551.087, Texas Government Code (Economic Development Negotiations), to deliberate regarding negotiations on a 380 Agreement and to discuss commercial or financial information regarding a business prospect that the corporation seeks to have locate, stay or expand in the City, re: Janet's Bakeshop.

ITEMS FOR FUTURE AGENDAS

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 [City Council/Board/Commission/Committee] 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 May 12, 2023, before 5:00 p.m., in accordance with Chapter 551 of the Texas Government Code.



Linda Proskey, City Secretary





AGENDA MEMORANDUM

DATE: April 12, 2023

TO: Watauga Economic Development Corporation Directors

FROM: Sandra Gibson, Director of Finance

SUBJECT: Consider action on acceptance of the Annual Audit Results for the period ending September 30, 2022

BACKGROUND/INFORMATION:

The City of Watauga's combined annual financial audit, including the Watauga Economic Development Corporation, has been completed for the fiscal year ending September 30, 2022.

The Watauga Economic Development Corporation (WEDC) is a Special Revenue Fund within the City's combined financial statements. As of September 30, 2022, the fund balance in the WEDC Sales Tax fund (operating fund) is \$1,733,256 which is an increase of \$102,162 over the previous year. Total revenues were \$943,709 and were higher than the amended budget by 1.26%, or \$11,709. This was due to sales tax revenue and interest income increases experienced during the year. Actual expenditures were under budget for the year by \$73,721 due to savings in various expense line items to include attorney fees, advertising, and training and travel. Expenditures for Fiscal Year 2022 include operating expenditures and transfers for administrative support and debt service payments for WEDC funded projects. In addition, the WEDC operating fund transferred \$375,000 to the WEDC Capital Projects fund for the purchase of two parcels of land for future WEDC projects. The WEDC Capital Projects Fund balance as of September 30, 2022 is \$30,346.

Attached are excerpts from the City of Watauga Annual Comprehensive Financial Report for Fiscal Year October 1, 2021 – September 30, 2022, which is available at the Watauga City Secretary's Office, the Public Library, and on the City's website. The City's Auditors, Weaver and Tidwell, LLC, have issued an unmodified, or "clean" opinion for this report.

Staff recommends the Board's acceptance of this audit.

FINANCIAL IMPLICATIONS:

N/A

RECOMMENDATION/ACTION DESIRED:



AGENDA MEMORANDUM

Staff recommends acceptance of the annual audit results for the period ending September 30, 2022 for the Watauga Economic Development Corporation

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

1. WEDC Excerpts City of Watauga, Texas Annual I Report Fiscal Year 2021-2022
105

REVIEWED BY:

Lorenza Zavala, Administrative Assistant

Joshua Jones, City Manager

Linda Proskey, City Secretary

Approved as to form for inclusion on Agenda

Approved - 4/12/2023

Approved - 4/12/2023

Final Approval - 4/13/2023

City of Watauga, Texas
Combining Balance Sheet
Non-Major Governmental Funds
September 30, 2022

	WEDC Sales	Watauga Crime Control and Prevention Fund	Library Donation Fund	Municipal Court Security Fund	Municipal Court Technology Fund
	Tax Fund				
ASSETS					
Cash and cash equivalents	\$ 971,569	\$ 1,110,912	\$ 62,003	\$ 47,893	\$ 141,238
Investments	603,295	23,787	-	-	-
Account receivable	160,317	319,361	123	-	-
Prepaid items	1,165	-	-	-	-
TOTAL ASSETS	\$ 1,736,346	\$ 1,454,060	\$ 62,126	\$ 47,893	\$ 141,238
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 3,084	\$ 101,825	\$ -	\$ -	\$ 3,021
Accrued liabilities	6	23,073	-	-	-
Total liabilities	3,090	124,898	-	-	3,021
FUND BALANCES					
Nonspendable					
Prepaid items	1,165	-	-	-	-
Restricted:					
Capital acquisitions and contractual obligations	-	-	-	-	-
Culture and recreation	-	-	62,126	-	-
Economic development	1,732,091	-	-	-	-
Public works	-	-	-	-	-
Public safety	-	1,329,162	-	47,893	138,217
Total fund balances	1,733,256	1,329,162	62,126	47,893	138,217
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,736,346	\$ 1,454,060	\$ 62,126	\$ 47,893	\$ 141,238

Municipal Court Truancy Fund	Traffic Safety Fund	Street Maintenance Sales Tax Fund	PEG Fund	WEDC Construction Fund	Jury Fees Fund	Total Non major Governmental Funds
\$ 71,956	\$ 35,760	\$ 640,828	\$ 79,471	\$ 30,346	\$ 913	\$ 3,192,889
-	-	-	-	-	-	627,082
-	-	980	6,750	-	-	487,531
-	-	-	-	-	-	1,165
<u>\$ 71,956</u>	<u>\$ 35,760</u>	<u>\$ 641,808</u>	<u>\$ 86,221</u>	<u>\$ 30,346</u>	<u>\$ 913</u>	<u>\$ 4,308,667</u>
\$ 374	\$ -	\$ 1,792	\$ -	\$ -	\$ -	\$ 110,096
579	1,670	-	-	-	-	25,328
953	1,670	1,792	-	-	-	135,424
-	-	-	-	-	-	1,165
-	-	-	-	30,346	-	30,346
-	-	-	-	-	-	62,126
-	-	-	-	-	-	1,732,091
-	-	640,016	86,221	-	-	726,237
71,003	34,090	-	-	-	913	1,621,278
<u>71,003</u>	<u>34,090</u>	<u>640,016</u>	<u>86,221</u>	<u>30,346</u>	<u>913</u>	<u>4,173,243</u>
<u>\$ 71,956</u>	<u>\$ 35,760</u>	<u>\$ 641,808</u>	<u>\$ 86,221</u>	<u>\$ 30,346</u>	<u>\$ 913</u>	<u>\$ 4,308,667</u>

City of Watauga, Texas

Combining Statement of Revenues, Expenditures and Changes in Fund Balance Non-Major Governmental Funds For the Fiscal Year Ended September 30, 2022

	WEDC Sales Tax Fund	Watauga Crime Control and Prevention Fund	Library Donation Fund	Municipal Court Security Fund	Municipal Court Technology Fund
REVENUES					
Taxes	\$ 929,538	\$ 1,846,233	\$ -	\$ -	\$ -
Interest income	13,921	9,781	369	239	870
Miscellaneous	250	98,549	5,400	17,934	14,984
Total revenues	943,709	1,954,563	5,769	18,173	15,854
EXPENDITURES					
Current:					
Public safety	-	1,537,331	-	-	6,495
Culture and recreation	-	-	-	-	-
Economic development	73,669	-	-	-	-
Public works	-	-	-	-	-
Capital outlay	-	-	-	-	4,984
Debt Service					
Principal	-	58,924	-	-	-
Interest and other charges	-	9,548	-	-	-
Total expenditures	73,669	1,605,803	-	-	11,479
Excess (deficiency) of revenues over expenditures	870,040	348,760	5,769	18,173	4,375
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	(767,878)	(30,000)	-	-	-
Total other financing sources (uses)	(767,878)	(30,000)	-	-	-
Net change in fund balances	102,162	318,760	5,769	18,173	4,375
Fund Balance, beginning	1,631,094	1,010,402	56,357	29,720	133,842
FUND BALANCE, ending	\$ 1,733,256	\$ 1,329,162	\$ 62,126	\$ 47,893	\$ 138,217

Municipal Court Truancy Fund	Traffic Safety Fund	Street Maintenance Sales Tax Fund	PEG Fund	WEDC Construction Fund	Jury Fees Fund	Total Non major Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,775,771
524	136	6,335	560	247	-	32,982
18,734	-	-	28,978	-	351	185,180
19,258	136	6,335	29,538	247	351	2,993,933
30,813	-	-	-	-	-	1,574,639
-	-	-	-	8,561	-	8,561
-	-	-	-	-	-	73,669
-	-	69,499	-	-	-	69,499
-	-	798,730	25,597	375,000	-	1,204,311
-	-	-	-	-	-	58,924
-	-	-	-	-	-	9,548
30,813	-	868,229	25,597	383,561	-	2,999,151
(11,555)	136	(861,894)	3,941	(383,314)	351	(5,218)
-	-	-	-	375,000	-	375,000
-	-	-	-	-	-	(797,878)
-	-	-	-	375,000	-	(422,878)
(11,555)	136	(861,894)	3,941	(8,314)	351	(428,096)
82,558	33,954	1,501,910	82,280	38,660	562	4,601,339
\$ 71,003	\$ 34,090	\$ 640,016	\$ 86,221	\$ 30,346	\$ 913	\$ 4,173,243

City of Watauga, Texas

Schedule of Revenues, Expenditures and Changes

In Fund Balances – Budget to Actual

WEDC Sales Tax Special Revenue Fund

For the fiscal year ended September 30, 2022

	Budget Amounts Final Budget	Actual Amounts	Variance Positive / (Negative)
Revenues			
Taxes	\$ 925,000	\$ 929,538	\$ 4,538
Interest income	2,000	13,921	11,921
Miscellaneous	5,000	250	(4,750)
Total revenues	932,000	943,709	11,709
Expenditures			
Current:			
Economic development	143,690	73,669	70,021
Capital outlay	3,700	-	3,700
Total expenditures	147,390	73,669	73,721
Excess of revenues over expenditures	784,610	870,040	85,430
Other financing uses			
Transfers out	(776,878)	(767,878)	9,000
Total other financing uses	(776,878)	(767,878)	9,000
Net change in fund balances	7,732	102,162	94,430
Fund balances, beginning of year	1,631,094	1,631,094	-
Fund balances, end of year	\$ 1,638,826	\$ 1,733,256	\$ 94,430



AGENDA MEMORANDUM

DATE: April 13, 2023
TO: Watauga Economic Development Corporation Directors
FROM: Sandra Gibson, Director of Finance
SUBJECT: Consider action on approval of the Monthly Financial Report for the period ending March 31, 2023

BACKGROUND/INFORMATION:

The Monthly Financial Report for the period ending March 31, 2023 is attached for the Board's review and approval.

FINANCIAL IMPLICATIONS:

N/A

RECOMMENDATION/ACTION DESIRED:

Staff recommends that the Board approve the Monthly Financial Report for the period ending March 31, 2023.

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

1. EDC Monthly Financial Report -March 2023

REVIEWED BY:

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

Approved - 5/10/2023
Approved - 5/11/2023
Final Approval - 5/11/2023

Approved as to form for inclusion on Agenda



AGENDA MEMORANDUM

DATE: May 10, 2023

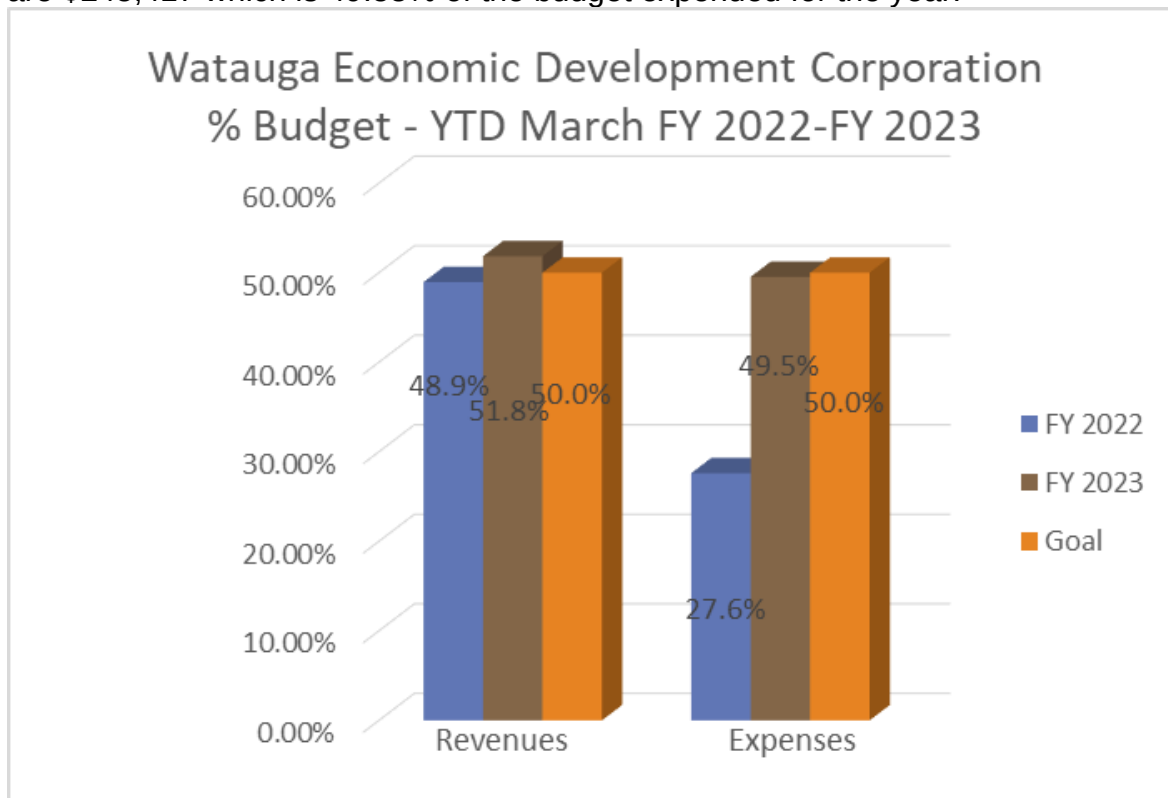
TO: Watauga Economic Development Board

FROM: Sandra Gibson, Director of Finance

SUBJECT: Preliminary Financial Report for the Month of March, 2023

The below report represents the results of transactions through March 31, 2023, which is 50% through the FY2022-FY2023 budget.

Revenues and expenditures are on target with budget expectations. Sales tax received in April for the period of February 2023 was \$66,127 and increased by 10.9% over prior year. Year-to-date revenues are at 51.84% of budget. Total year-to-date expenditures are \$245,417 which is 49.53% of the budget expended for the year.





CITY OF WATAUGA
BUDGET TO ACTUAL COMPARISON
FISCAL YEAR 2023
For the period ending: March 31, 2023 (2nd FY Qtr.)

WATAUGA ECONOMIC DEVELOPMENT CORP - 04

	CURRENT BUDGET	3/31/2023 YTD ACTUAL	% USED	% REMAINING	3/31/2022 YTD ACTUAL	\$ CHG 23 vs 22	% CHG 23 vs 22
REVENUE:							
SALES TAX	952,000	468,977	49.26%	50.74%	455,066	13,911	3.06%
INTEREST EARNINGS	2,500	27,561	1102.45%	-1002.45%	1,042	26,519	2544.78%
INTEREST/ESCROW	-	-	-	-	-	-	-
CONTRIBUTIONS/OTHER	5,000	875	17.50%	82.50%	-	875.00	-
TOTAL REVENUE	\$959,500	\$497,413	51.84%	48.16%	\$456,108	\$41,305	9.06%
PERSONNEL SERVICES	-	-	0.00%	0.00%	-	-	0.00%
NON-DEPARTMENTAL	-	-	0.00%	0.00%	-	-	0.00%
SUPPLIES	900	-	0.00%	100.00%	(13)	13	0.00%
MAINTENANCE	2,000	-	0.00%	100.00%	-	-	0.00%
CONTRACTUAL & SUNDRY	84,950	42,146	49.61%	50.39%	54,221	(12,075)	-22.27%
TRANSFERS	419,700	209,850	50.00%	50.00%	200,939	8,911	4.43%
CAPITAL OUTLAY	1,200	-	0.00%	100.00%	-	-	0.00%
TOTAL EXPENDITURES	\$508,750	\$251,996	49.53%	50.47%	\$255,147	(\$3,151)	-1.24%
EXCESS REVENUE OVER (UNDER) EXPENDITURES	\$450,750	\$245,417			\$200,961	\$44,456	



AGENDA MEMORANDUM

DATE: April 12, 2023
TO: Watauga Economic Development Corporation Directors
FROM: Sandra Gibson, Director of Finance
SUBJECT: Presentation and discussion on the Watauga Economic Development Corporation Proposed Budget for Fiscal Year 2023-2024

BACKGROUND/INFORMATION:

This item is to discuss and allow for board recommendations and changes to the proposed Watauga Economic Development Budget for FY2023-2024. The proposed budget is attached for the Board's review. Staff will provide an overview of the proposed WEDC Budget.

FINANCIAL IMPLICATIONS:

The estimated proposed revenues and expenditures are included in the attached document.

RECOMMENDATION/ACTION DESIRED:

This item does not require action as it is a presentation/report.

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

1. WEDC PROPOSED BUDGET FY2023-2024

REVIEWED BY:

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

Approved - 5/11/2023
New -

Approved as to form for inclusion on Agenda

PROPOSED BUDGET



FISCAL YEAR 2023-2024

DEPARTMENT	Economic Development
DIVISION/ACTIVITY	Economic Development Corporation



MISSION/PROGRAMS/SERVICES

To advance the economic strength of Watauga through business and community support programs, public education, and strategic partnerships. Economic Development provides emphasis on improving the business climate through new development, redevelopments, workforce development, business retention and expansion, and small business development.

To enhance the quality of life for residents and the sustainability of City businesses through the retention and revitalization of exiting business and neighborhoods, and promotion, recruitment, and coordination of new commercial and residential development in the City.

FY2022-2023 HIGHLIGHTS/ACHIEVEMENTS

- Successfully negotiated and passed a Chp. 380 Economic Development Agreement with Mr. Froze for a newly constructed retail commercial business to be located on Watauga Road.
- Assisted a private property owner with the recruitment of a development partner and facilitated the rezoning process of a large parcel of land for a 132-home townhome development that will bring an investment of approximately \$53M in the community, which will result in a significant increase in sales tax.
- FYE sales tax receipts for 2023 are forecasted to be higher than 2022 actual by 5%, with an increase of 2.5% from FY 2022-2023 budget.

FY2023-2024 GOALS/OBJECTIVES

- Aid in the revitalization of obsolete facilities through redevelopment, rehabilitation, and other available means.
- Create outreach programs to facilitate and incentivize the revitalization of older residential neighborhoods.
- Positively influence growth and redevelopment of the City's business community.
- Improve the economic well-being of the City.
- Continue to maintain economic development related databases to meet the needs of the development community.
- Stimulate participation in shop local programs.
- Prepare projects for development which allow for continued economic growth in the City.

MAJOR BUDGETARY ISSUES AND OPERATIONAL TRENDS

- Inflation in the local and national economy continues to drive up the costs of goods and services, resulting in higher sales tax receipts.
- Continued increases in the prime interest rate by the Federal Reserve in an effort to slow inflation have resulted in higher debt issuance costs for local banks, making borrowing more expensive for businesses seeking to expand or hire additional employees.
- Increased demand for higher wages to offset inflationary pressures leading to the inability for local businesses to retain and or hire employees.

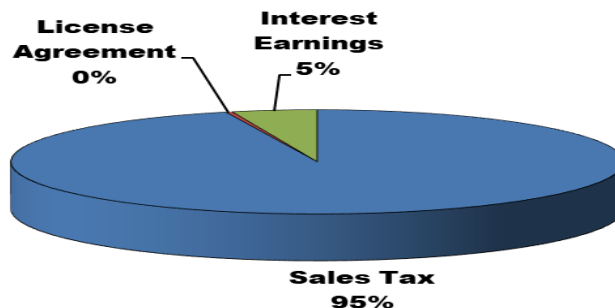
SPECIAL REVENUE FUNDS

ECONOMIC DEVELOPMENT CORPORATION (FORMERLY PARKS DEVELOPMENT CORPORATION)

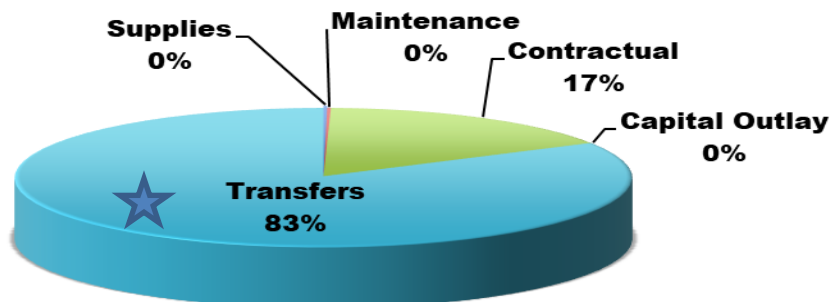
Voters established the Watauga Parks Development Corporation Sales Tax Fund to account for a ½ cent sales tax increase in May 1994 under the 4b Economic Development Legislation. The purpose of the increase in sales tax is to build city parks and improve existing parks under the supervision of the Watauga 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 FY2023-2024 are expected to be \$996,000.

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
	2020-2021 Actual	2021-2022 Actual	2022-2023 Original Budget	2022-2023 Projected	2023-2024 Budget	FY2023-2024 vs 2022-2023
Fund Balance, October 1*	\$1,242,173	\$1,631,094	\$1,713,418	\$1,733,255	\$2,260,280	
<u>Revenues:</u>						
Sales Taxes	865,622	929,538	952,000	976,000	996,000	4.6%
License Agreement - Property	0	0	0	0	0	0.0%
Proceeds From Sale of Assets	850	0	0	0	0	0.0%
Interest Earnings	1,207	13,921	2,500	44,000	55,000	2100.0%
License Agreement - Services	0	250	5,000	3,000	3,500	-30.0%
Operating Revenues	\$867,679	\$943,709	\$959,500	\$1,023,000	\$1,054,500	9.9%
Total Available Resources	\$2,109,852	\$2,574,803	\$2,672,918	\$2,756,255	\$3,314,780	
<u>Expenditures:</u>						
Business Retention	6,437	3,518	8,650	6,050	6,650	-23.1%
Business Attraction	28,493	25,650	24,200	22,050	24,300	0.4%
General Administration	64,042	44,502	56,200	48,175	56,300	0.2%
Operating Expenditures	98,973	73,670	89,050	76,275	87,250	-2.0%
<u>Operating Transfers-Out</u>						
To General Fund	222,281	245,800	266,500	266,500	279,000	4.7%
To Internal Service Fund	0	0	0	0	0	0.0%
To Capital Projects Fund	0	375,000	0	0	0	0.0%
To Debt Service	157,503	147,078	153,200	153,200	149,000	-2.7%
Total Operating Transfers-Out	379,784	767,878	419,700	419,700	428,000	2.0%
TOTAL OPERATING & TRANSFERS	\$478,757	\$841,548	\$508,750	\$495,975	\$515,250	1.3%
Fund Balance, September 30	\$1,631,096	\$1,733,255	\$2,164,168	\$2,260,280	\$2,799,530	
CHANGE IN FUND BALANCE	\$388,923	\$102,161	\$450,750	\$527,025	\$539,250	

*Includes debt service fund balance

SPECIAL REVENUE FUND

DEPARTMENT: ECONOMIC DEVELOPMENT					
DIVISION / ACTIVITY: ECONOMIC DEVELOPMENT CORPORATION - FUND 04					
EXPENDITURES	2020-2021 ACTUAL	2021-2022 ACTUAL	2022-2023 BUDGET	2022-2023 PROJECTED	2023-2024 PROPOSED
Supplies	\$1,051	(\$13)	\$900	\$400	\$1,000
Maintenance	\$0		\$2,000	\$1,000	\$1,000
Contractual/Sundry	\$97,922	\$73,683	\$84,950	\$72,875	\$85,250
Capital Outlay	\$0	\$0	\$1,200	\$2,000	\$0
Transfers	\$379,784	\$767,878	\$419,700	\$419,700	\$428,000
TOTAL	\$478,757	\$841,548	\$508,750	\$495,975	\$515,250
PERFORMANCE MEASURES / SERVICE LEVELS					
<i>Input / Demand</i>	<i>Actual 21-22</i>		<i>Budget 22-23</i>	<i>Projected 22-23</i>	<i>Budget 23-24</i>
Staff Dedicated	1.50		2.00	2.00	2.00
Volunteers	0		0	0	0
Inquiries Received	N/A		20	8	15
<i>Output/ Workload</i>	<i>Actual 21-22</i>		<i>Budget 22-23</i>	<i>Projected 22-23</i>	<i>Budget 23-24</i>
Project Files Opened	N/A		10	3	10
Clients Served	N/A		15	5	15
Jobs Created	N/A		35	TBD	35
Potential New Business Calls/Contacts	N/A		100	30	50
Responses Submitted	N/A		155	30	50
Board Meetings Held	N/A		12	12	12
<i>Efficiency Measures / Impact</i>	<i>Actual 21-22</i>		<i>Budget 22-23</i>	<i>Projected 22-23</i>	<i>Budget 23-24</i>
M & O percentage of City budget	N/A		0.008		
M & O budget per capita	N/A		20.85		
<i>Effectiveness Measures / Outcomes</i>	<i>Strategic Goals</i>	<i>Actual 21-22</i>	<i>Budget 22-23</i>	<i>Projected 22-23</i>	<i>Budget 23-24</i>
Business Retention Visits	3	N/A	120	65	60
Small Business Development Assistance	3, 4, 6, 7	N/A	5	4	2
Economic Development Agreements	3, 4, 11	N/A	5	3	3
Redevelopment Projects	3, 4	N/A	5	0	2
New Development Projects	3, 4	N/A	5	2	2



SPECIAL REVENUE FUNDS

BUDGET CHANGES

Fiscal Year 2023-2024 Compared to Fiscal Year 2022-2023 Original Budget

DEPARTMENT: ECONOMIC DEVELOPMENT				
DIVISION / ACTIVITY: ECONOMIC DEVELOPMENT CORPORATION - FUND 04				
DESCRIPTION	CATEGORY	ONE-TIME	ON-GOING	CHANGE EXPLANATION
Business Retention:				
Contractual Services	Contractual/Sundry		(\$2,000)	Bludot Subscription Budget Adjustment
Business Attraction:				
Events	Contractual/Sundry	\$100		Participation Increase - Tarrant Special Events
General Administration:				
Events Refreshments/Meals	Supplies		\$100	Needs Adjustment (Event Hosting)
Software Maintenance	Maintenance		(\$1,000)	Adobe Suites License Adj. to IT Department
Dues & Subscriptions	Contractual/Sundry		\$200	TRTC Increase
Training	Contractual/Sundry		\$1,500	ISCS Conference Adjustment
Community Relations	Contractual/Sundry		\$5,000	Community Relations Needs/Analysis Adj.
Contractual Services	Contractual/Sundry		(\$4,500)	3rd Coast Geo Deduction
Other Equipment	Capital Outlay	(\$1,200)		Media Specialist Camera Purchase (one-time)
Transfers:				
Transfer to General Fund	Transfers	\$12,500		Allocation Adjustment
Transfer to Gen Obligation Debt	Transfers	(\$4,200)		Debt Allocation Adjustment
TOTALS:		\$7,200	(\$700)	

\$6,500 NET INCREASE/DECREASE

ALLOCATIONS INFORMATION



SCHEDULE A - Estimated Cost for Economic Development Corporation 2023-2024			
Salary/ Benefits Personnel			
Department	Tasks performed for the EDC	Estimated hours	Estimated Cost
City Secretary - TOTAL	Records Retention/PIA/Minutes/Resolutions/Agenda Posting	416	\$16,300
Finance - TOTAL	Financial Reporting, Budget, Annual Report, Audit, Purchasing, Accounts Payable	55	\$3,700
Information Technology - TOTAL	Marketing /Website/Projects/Updates	1768	\$65,500
Public Works/Parks - TOTAL	Project Coordination/Oversight	125	\$7,800
City Manager's Office	EDC Director, Business Retention, Economic Development Duties		\$182,000
Sub-total			\$275,300
Other Items			
Annual Audit Allocation	4% of Total		\$2,500
Codification Fees	15% of Total		\$1,200
Sub-total			\$3,700
GRAND TOTAL			\$279,000

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

	HISTORY			PROJECTED YEAR		BUDGET
	2019-2020 Actual	2020-2021 Actual	2021-2022 Actual	2022-2023 Original Budget	2022-2023 Projected	2023-2024 Proposed
Fund Balance, October 1	\$244,179	\$38,835	\$38,660	\$33,760	\$30,346	\$21,146
<u>Revenues:</u>						
Interest Earnings	989	61	247	100	800	100
Proceeds from Sale of Assets	0	0	0	0	0	0
Transfer from EDC Sales Tax Fund	0	0	375,000	0	0	0
Other Financing Sources	0	0	0	0	0	0
Matching Grants	0	0	0	0	0	0
Total Revenues	\$989	\$61	\$375,247	\$100	\$800	\$100
Total Available Resources	\$245,167	\$38,896	\$413,907	\$33,860	\$31,146	\$21,246
<u>Expenditures:*</u>						
Purchase of Property	0	0	375,000	0	0	0
Foster Village Improvements	0	0	0	0	0	0
Shade Structure - Indian Springs	0	0	0	0	0	0
Park Equipment (Picnic Pads, etc.)	0	0	0	0	0	0
Capp Smith Park Improvements	206,332	236	0	0	0	0
Capp Smith Improvements EDC	0	0	0	0	0	0
Contingency	0	0	8,561	10,000	10,000	10,000
Total Expenditures	206,332	236	383,561	10,000	10,000	10,000
<u>Other Expenditures</u>						
Transfer to PDC Debt Service	0	0	0	0	0	0
Total Other Sources (Uses)	0	0	0	0	0	0
REVENUES OVER (UNDER) EXPENSES	(\$205,343)	(\$175)	(\$8,314)	(\$9,900)	(\$9,200)	(\$9,900)
Fund Balance, September 30	\$38,835	\$38,660	\$30,346	\$23,860	\$21,146	\$11,246
CHANGE IN FUND BALANCE	(\$205,343)	(\$175)	(\$8,314)	(\$9,900)	(\$9,200)	(\$9,900)



AGENDA MEMORANDUM

DATE: April 12, 2023

TO: Watauga Economic Development Corporation Directors

FROM: Sandra Gibson, Director of Finance

SUBJECT: Consider action on setting a Public Hearing date to discuss the Watauga Economic Development Corporation Proposed Budget for Fiscal Year 2023-2024 during the regular meeting scheduled for June 20, 2023 at 6:30 p.m.

BACKGROUND/INFORMATION:

As part of the budget process, the Board should hold a public hearing for citizens to express their views on the proposed budget. It is recommended this date be set for June 20, 2023 at 6:30 p.m.

FINANCIAL IMPLICATIONS:

N/A

RECOMMENDATION/ACTION DESIRED:

Staff recommends the public hearing date be set for June 20, 2022 at 6:30 p.m.

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

None

REVIEWED BY:

Lorenza Zavala, Administrative Assistant

Joshua Jones, City Manager

Linda Proskey, City Secretary

Approved as to form for inclusion on Agenda

Approved - 4/13/2023

Approved - 4/13/2023

Final Approval - 4/13/2023



AGENDA MEMORANDUM

DATE: April 12, 2023

TO: Watauga Economic Development Corporation Directors

FROM: Sandra Gibson, Director of Finance

SUBJECT: Consider action on setting the date of the WEDC Budget Adoption for July 18, 2023 and submittal to the City Secretary's Office for inclusion on the Council agenda

BACKGROUND/INFORMATION:

The EDC Board must adopt the budget before it is presented to City Council for acceptance and adoption. It is recommended that the EDC Board adopt the Economic Development Corporation Budget on July 18, 2023. The Board may make changes to the budget up until the time of adoption.

The EDC bylaws require that the Board submit the proposed budget to the City Secretary, for record and placement on the Council agenda, before the 30th day the City of Watauga City Council is scheduled to approve the Corporation's Budget. It is recommended that the EDC submit the proposed budget to the City Secretary after adoption on July 18, 2023.

FINANCIAL IMPLICATIONS:

N/A

RECOMMENDATION/ACTION DESIRED:

Staff recommends the EDC set the date of July 18, 2023 for WEDC Budget adoption and submission to the City Secretary's office for inclusion on the council agenda

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

None

REVIEWED BY:

Lorenza Zavala, Administrative Assistant

Joshua Jones, City Manager

Linda Proskey, City Secretary

Approved as to form for inclusion on Agenda

Approved - 4/13/2023

Approved - 4/13/2023

Final Approval - 4/13/2023