



AGENDA
WATAUGA ECONOMIC DEVELOPMENT CORPORATION
REGULAR MEETING
7105 WHITLEY ROAD, WATAUGA, TEXAS 76148
TUESDAY, JULY 18, 2023
6:30 PM

CALL TO ORDER

ROLL CALL

ANNOUNCEMENTS

PRESENTATIONS

1. Presentation of a proclamation to JPS Health Center 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 approval and authorize the Executive Director to execute the professional services agreement between the Watauga Economic Development Corporation and The Retail Coach, LLC for the completion of a Comprehensive Retail Recruitment and Development Plan. This will be the fifth term of the contractual engagement with The Retail Coach, LLC.
2. Consider approval of the Monthly Financial Report for the period ending May 31, 2023

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 FY2023-2024; 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

2. 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

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:

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 July 14, 2023, before 5:00 p.m., in accordance with Chapter 551 of the Texas Government Code.


Linda Proskey, City Secretary





AGENDA MEMORANDUM

DATE: July 6, 2023

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, 2023

BACKGROUND/INFORMATION:

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

FINANCIAL IMPLICATIONS:

N/A

RECOMMENDATION/ACTION DESIRED:

Staff recommends the Board review and approve the Monthly Financial Report for the period ending May 31, 2023.

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

1. EDC Monthly Financial Report -May 2023

REVIEWED BY:

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

Approved as to form for inclusion on Agenda

Approved - 7/12/2023
Approved - 7/14/2023
Final Approval - 7/14/2023



AGENDA MEMORANDUM

DATE: July 10, 2023

TO: Watauga Economic Development Board

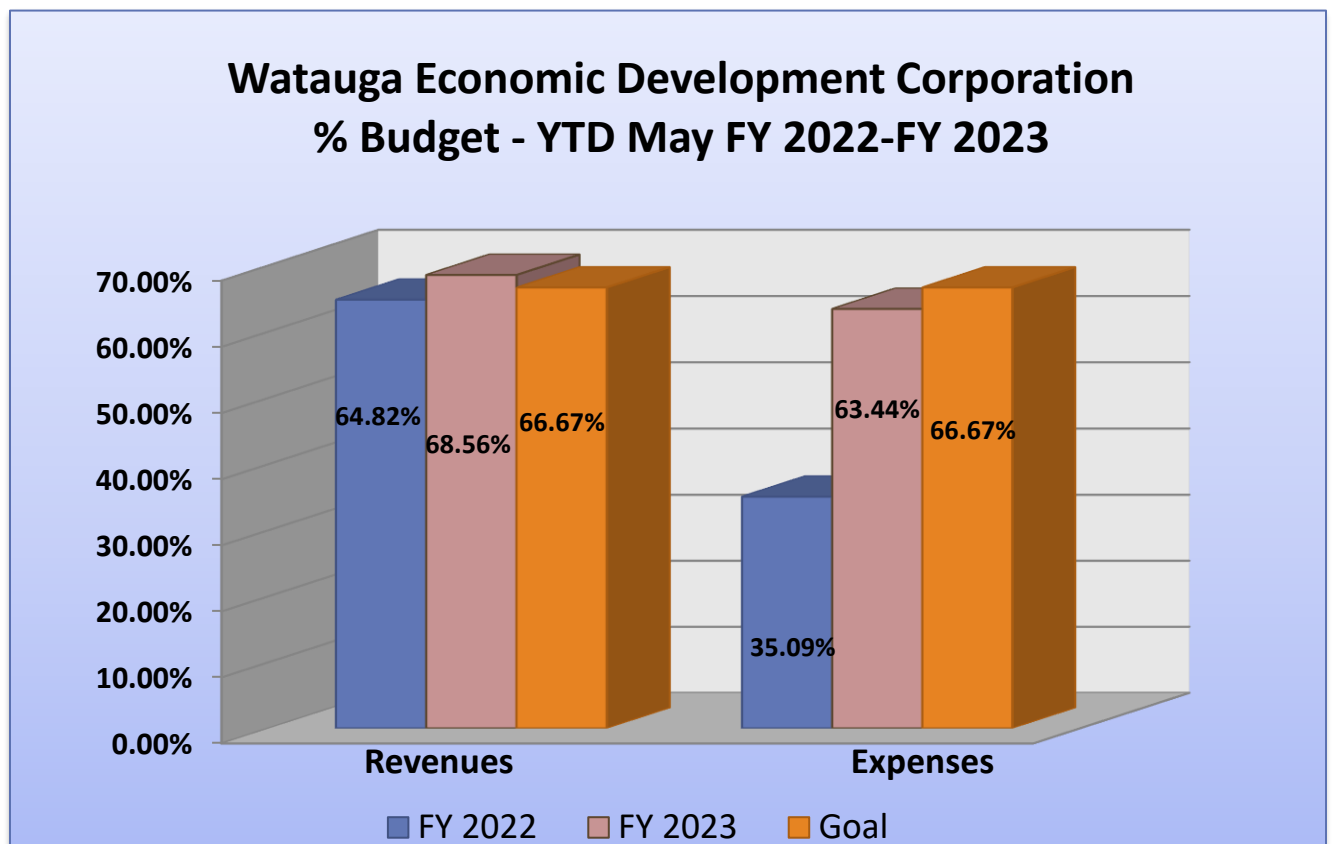
FROM: Sandra Gibson, Director of Finance

SUBJECT: Financial Report for the Month of May, 2023

The below report represents the results of transactions through May 31, 2023, which is 67% through the FY2022-FY2023 budget.

Revenues and expenditures are on target with budget expectations. Sales tax is estimated for the reporting period due to the timing of this report. Year-to-date revenues are at \$657,820, or 68.6% of budget. Year-to-date sales tax and interest earnings are up in comparison to prior year.

Total year-to-date expenditures are \$322,732 which is 63.4% of the budget expended for the year.





CITY OF WATAUGA
BUDGET TO ACTUAL COMPARISON
FISCAL YEAR 2023
For the period ending: May 31, 2023 (3rd FY Qtr.)

WATAUGA ECONOMIC DEVELOPMENT CORP - 04

	CURRENT BUDGET	5/31/2023 YTD ACTUAL	% USED	% REMAINING	5/31/2022 YTD ACTUAL	\$ CHG 23 vs 22	% CHG 23 vs 22
REVENUE:							
SALES TAX	952,000	614,120	64.51%	35.49%	601,619	12,500	2.08%
INTEREST EARNINGS	2,500	42,201	1688.03%	-1588.03%	2,492	39,709	1593.44%
INTEREST/ESCROW	-	-	-	-	-	-	-
CONTRIBUTIONS/OTHER	5,000	1,500	30.00%	70.00%	-	1,500.00	-
TOTAL REVENUE	\$959,500	\$657,820	68.56%	31.44%	\$604,111	\$53,709	8.89%
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	42,932	50.54%	49.46%	56,399	(13,468)	-23.88%
TRANSFERS	419,700	279,800	66.67%	33.33%	267,918	11,882	4.43%
CAPITAL OUTLAY	1,200	-	0.00%	100.00%	-	-	0.00%
TOTAL EXPENDITURES	\$508,750	\$322,732	63.44%	36.56%	\$324,305	(\$1,573)	-0.49%
EXCESS REVENUE OVER (UNDER) EXPENDITURES	\$450,750	\$335,089			\$279,806	\$55,282	



AGENDA MEMORANDUM

DATE: July 3, 2023

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 FY2023-2024; 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 20, 2023 to allow for citizen input on the FY2023-2024 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.

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:

Respectfully recommend the Board review and approve a resolution approving and recommending approval to the City Council of the FY 2023-2024 Watauga Economic Development Proposed Budget

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

1. Res approving WEDC 2023-2024 Budget 07.18.23
2. Attachment A: WEDC Proposed Budget FY2023-2024

REVIEWED BY:

Lorenza Zavala, Administrative Assistant
David Berman, City Attorney

Approved - 7/6/2023
Approved - 7/6/2023



AGENDA MEMORANDUM

Joshua Jones, City Manager
Linda Proskey, City Secretary
Approved as to form for inclusion on Agenda

Approved - 7/7/2023
Final Approval - 7/7/2023

WATAUGA ECONOMIC DEVELOPMENT CORPORATION
RESOLUTION NO. 2023-_____

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 16, 2023, the Watauga Economic Development Corporation Board was presented with a proposed budget for FY2023-2024; and

WHEREAS, the Board finds the proposed budget for FY2023-2024 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, 2023 and ending September 30, 2024 (Fiscal Year 2023-2024) 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 2023-2024 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 18th day of July 2023.

APPROVED

Arthur L. Miner, President

ATTEST:

Jan Hill, Secretary

APPROVED AS TO FORM AND LEGALITY:

David Berman, Corporation General Counsel

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.

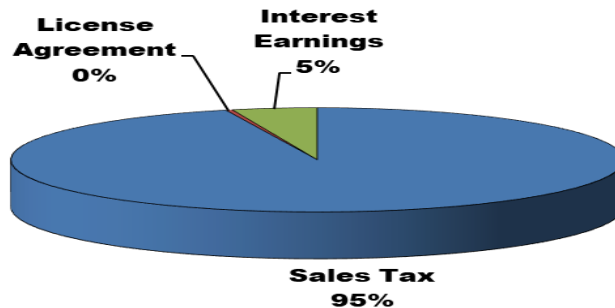
SPECIAL REVENUE FUNDS

ECONOMIC DEVELOPMENT CORPORATION (FORMERLY PARKS DEVELOPMENT CORPORATION)

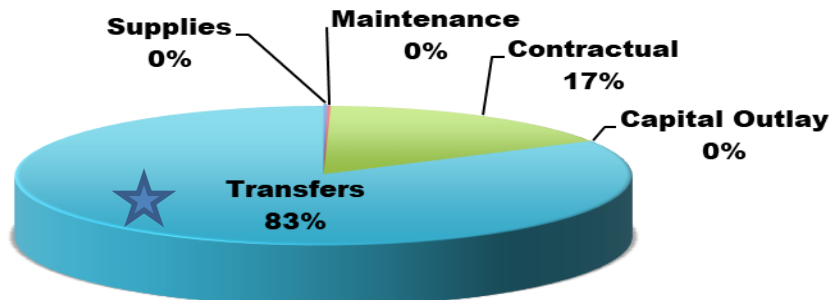
Voters established the Watauga Parks Development Corporation Sales Tax Fund to account for a ½ cent sales tax increase in May 1994 under the 4b Economic Development Legislation. The purpose of the increase in sales tax is to build city parks and improve existing parks under the supervision of the Watauga 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	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: July 3, 2023

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 FY2023-2024 is \$279,000 and is included in the Proposed FY2023-2024 Economic Development Corporation Budget.

The Agreement would begin October 1, 2023 and terminate September 30, 2024 if approved by the Board.

FINANCIAL IMPLICATIONS:

The amount estimated for FY2023-2024 is \$279,000 .

RECOMMENDATION/ACTION DESIRED:

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

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

1. Staffing and Reimbursement Agreement Draft 2023-2024
2. Attachment A: EDC Staffing Reimbursement Allocation Worksheet FY2023-2024

REVIEWED BY:

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

Approved - 7/6/2023
Approved - 7/6/2023
Approved - 7/7/2023
Final Approval - 7/7/2023

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 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