



AGENDA
WATAUGA ECONOMIC DEVELOPMENT CORPORATION
REGULAR MEETING
7105 WHITLEY ROAD, WATAUGA, TEXAS 76148
TUESDAY, JUNE 18, 2024
6:30 PM

CALL TO ORDER

ROLL CALL

ANNOUNCEMENTS

PRESENTATIONS

1. Presentation of a proclamation to James Woods Neighborhood Autos in recognition of their 20 year milestone anniversary.
2. Presentation of a proclamation to Shiver Shack in recognition of their 20 year milestone anniversary.
3. Presentation of a proclamation to Watauga Animal Hospital in recognition of their 25 year milestone anniversary.
4. Presentation of a proclamation to Wendy's in recognition of their 25 year milestone anniversary.
5. Presentation of a proclamation to Watauga Bingo in recognition of their 15 year milestone anniversary.
6. Presentation and update from the Retail Coach.

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 This is an opportunity for citizens to address the Council on current agenda action items (excludes presentations and reports). Only those persons who have submitted a proper "Request to Speak Form" will be allowed to speak. Citizens will be required to state their name and address for the record. They have up to 3 minutes to speak, and their comments must be germane to the item. If speaking for an organization or group, the speaker should identify the group represented. Council members may ask questions or discuss the item with the citizens directly.

REPORTS FROM STAFF

CONSENT AGENDA All of the items on the consent agenda are considered to be self-explanatory by the Corporation 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 minutes from the May 21, 2024 Watauga Economic Development Corporation Meeting.
2. Consideration of approval of the Monthly Financial Report for the period ending April 30, 2024

PUBLIC HEARINGS

1. Public Hearing on the Watauga Economic Development Corporation Proposed Budget for the Fiscal Year 2024-2025
Sandra Gibson, Interim City Manager and Director of Finance

ACTION ITEMS

1. Discussion and possible action on amending the WEDC Bylaws
Sandra Gibson, Interim City Manager and 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 June 14, 2024, before 5:00 p.m., in accordance with Chapter 551 of the Texas Government Code.

/S/ Linda Proskey
City Secretary





**MINUTES
WATAUGA ECONOMIC DEVELOPMENT CORPORATION
REGULAR MEETING
TUESDAY, MAY 21, 2024
7105 WHITLEY ROAD, WATAUGA, TEXAS 76148
6:30 PM**

CALL TO ORDER

President, Miner called the meeting to order at 6:43 p.m.

ROLL CALL

Arthur L. Miner	Place 1, President
Calvin Lewis	Place 2, Director- absent without notice
Jan Hill	Place 3, Secretary
Malissa Minucci	Place 4, Vice President
Vacant	Place 5, Director
Vacant	Place 6, Director
Macy Forrester	Place 7, Director

Others present include:

Sandra Gibson	Interim City Manager/Finance Director
Deby Woodard	Assistant Finance Director
Timothy Hamilton	Director of Parks and Recreation
Lorenza Zavala	Administrative Assistant

ANNOUNCEMENTS

No Announcements at this time.

PRESENTATIONS

1. **Presentation of a proclamation to Cash America in recognition of their 30 year milestone anniversary.**
2. **Presentation of a proclamation to Famous Footwear in recognition of their 20 year milestone anniversary.**
3. **Presentation of a proclamation to Great Clips in recognition of their 25 year milestone anniversary.**
4. **Presentation of a proclamation to Pizza Hut in recognition of their 30 year milestone anniversary.**
5. **Presentation of a proclamation to Schlotzsky's in recognition of their 20 year milestone anniversary.**

6. **Presentation of a proclamation to Cost Plus World Market in recognition of their 20 year milestone anniversary.**
7. **Presentation of a proclamation to Half Price Books in recognition of their 20 year milestone anniversary.**
8. **Presentation of a proclamation to Wells Fargo Bank in recognition of their 20 year milestone anniversary.**

PUBLIC COMMENT

No requests to speak were received.

PUBLIC TESTIMONY FOR ACTION ITEMS

No requests to speak were received.

REPORTS FROM STAFF

None at this time.

CONSENT AGENDA

1. **Consider action to approve the Monthly Financial Report for the period ending March 31, 2024.**
2. **Consider action on acceptance of the Annual Audit Results for the period ending September 30, 2023.**
3. **Consider approval of the minutes from the January 16, 2024, Watauga Economic Development Corporation Meeting.**

VP Malissa Minucci made a motion to accept the consent agenda as presented.
Second the motion: Secretary Jan Hill

Motion Passed 3-0-0

Ayes: Macy Forrester, Jan Hill, Malissa Minucci
Nays: None
Absent: Calvin Lewis
Abstain: None

PUBLIC HEARINGS / ACTION

There were no public hearing items.

ACTION ITEMS

1. **Discussion and possible action for the WRAP Incentive Program.**

Ms. Zavala discussed the Watauga Beautification Program, known as WRAP, which

stands for Watauga Revitalization Action Program Incentive. This matching program is designed to support new and existing businesses with improvements to building facades, landscaping, parking, and other enhancements that contribute to making Watauga a vibrant community.

The program aims to increase taxable value, retain businesses, and enhance property appeal, ensuring Watauga remains relevant and competitive. By examining the efforts of neighboring cities such as Keller, Saginaw, and North Richland Hills, which also offer similar matching grants, WRAP seeks to attract and retain businesses in Watauga.

WRAP provides matching grants of up to \$10,000 for five qualifying businesses each year for the next five years. Projects must commence within 45 days of approval and be completed within six months. To be eligible, businesses must be located in Watauga, be commercial properties, have no outstanding liens, utilities, code violations, or taxes, and provide proof of ownership. Additionally, businesses cannot receive the same grant for similar upgrades within the preceding 24 months.

Eligible enhancements include any improvements visible from the street, along with other requests subject to approval. The application process involves providing professional quotes online, meeting with staff and the board, submitting before and after photos, undergoing an inspection from the Fire Marshal, disbursing funds, and closing out the application.

Mrs. Minucci inquired whether the reimbursement process after project completion is common in other cities. Lorenza confirmed that it is, explaining that they want to ensure the project is completed as specified and proof is provided.

Vice President Minucci then asked if the \$10,000 allocation for five years should be reevaluated annually during budget season and possibly increased. Lorenza responded that annual reevaluation would be open and common. Although the lump sum is manageable, it's not a large amount and could be reassessed each year.

Secretary Jan Hill asked about the possibility of paving parking lots and using Public Works to help save money.

Lorenza clarified that businesses must first go through the WEDC and then the Council. If businesses fail to meet the timeline, they will not receive the funds. Everyone agreed that the 45-day start and six-month completion timeline is appropriate, with an option for extensions depending on the project size.

Mrs. Forrester asked what happens to unused funds. Interim City Manager Mrs. Gibson explained that the unused funds would roll over into the fund balance a reserve savings account for the EDC, but the budget would need to be adjusted each year.

Secretary Jan Hill made a motion to approve the program as presented and to forward it to the City Council.

Second the motion: Vice President Minnucci

Motion Passed 3-0-0

Ayes: Macy Forrester, Malissa Minucci, Jan Hill
Nays: None
Absent: Calvin Lewis
Abstain: None

2. Discussion and possible action on amending the WEDC Bylaws.

Interim City Manager/Finance Director Sandra Gibson discussed Article 2 and 4 that were in question to be amended. Former City Manager Josh Jones had included three items on Article 2: Directors, and Article 4: Fiscal Provisions to also address the budget calendar, and lastly looking at the PFIA. Mrs. Gibson recommended submitting the investment policy for compliance and having the board review and approve it before presenting it to the council.

Mrs. Minucci asked if money is moved or investments are made, does that process go through Mrs. Gibson, and how is it handled. Mrs. Gibson explained that they only engage in very conservative investments, such as CDs and money market accounts, and that they have collateral for their various accounts.

Mrs. Hill suggested that the attendance policy should include provisions for absences. She also noted that the adjournment notice was confusing and needed to be amended.

Secretary Jan Hill makes a motion to forward these recommendations to the City Attorney and brought back to us after the wording has been changed.
Second the motion: Vice President Minucci

Motion Passed 3-0-0

Ayes: Macy Forrester, Malissa Minucci, Jan Hill
Nays: None
Absent: Calvin Lewis
Abstain: None

3. Discussion and possible action on the WEDC Proposed Budget for FY2024-2025.

Interim City Manager and Finance Director Sandra Gibson presented the WEDC budget, allowing the board to make changes before the final adoption. The Council will have the final authority to adopt the budget on August 26th.

The EDC's mission remains unchanged from previous years. Highlights for 2023-2024 include the WRAP program, the popularity of the business spotlight, and digital advertising initiatives. Lorenza actively promotes advertising opportunities during her business visits. Additionally, Bluedot serves as a comprehensive database for all businesses, and there have been numerous new businesses this year.

The main goals for 2024-2025 are to continue the WRAP program, develop a food truck park, promote and retain businesses, and support the splash pad improvement project. Sales tax revenue has been inconsistent, with the past six months showing

flat growth. The budget will also continue funding for the Retail Coach program in its sixth year, personnel services, and mowing.

Director Timothy Hamilton discussed the splash pad upgrade, which includes new sanitation equipment with an estimated cost of \$190,000. He noted that before his tenure, the EDC had funded half of the original splash pad implementation costs. Currently, there are no known grants to assist with the upgrade.

Mrs. Gibson concluded by explaining that the proposed budget includes increased transfers to capital project funds and the WRAP program, while still adding \$350,000 to the year's balance. President Miner praised the IT Department for their excellent collaboration with the EDC.

4. Consider action on setting a Public Hearing date to discuss the Watauga Economic Corporation's Proposed Budget for Fiscal Year 2024-2025 during the regular meeting scheduled for June 18, 2024, at 6:30 p.m.

Vice President Minucci made a motion to approve the public hearing that was discussed on the WEDC for budget year 24-25 during the regular meeting on June 18th.

Second the motion: Secretary Jan Hill

Motion Passed 3-0-0

Ayes: Macy Forrester, Malissa Minucci, Jan Hill

Nays: None

Absent: Calvin Lewis

Abstain: None

5. Consider action on setting the date of the WEDC Budget Adoption for July 16, 2024, and submittal to the City Secretary's Office for inclusion on the Council agenda.

Secretary Hill made a motion to set the date of the WEDC adoption for July 16, 2024, and submittal to the City Secretary's Office for inclusion on the City Council agenda.

Second the motion: Vice President Minucci

Motion Passed 3-0-0

Ayes: Macy Forrester, Malissa Minucci, Jan Hill

Nays: None

Absent: Calvin Lewis

Abstain: None

EXECUTIVE SESSION

There was no executive session.

RECONVENE

ITEMS OF EXECUTIVE SESSION DELIBERATION

ITEMS FOR FUTURE AGENDAS

None at this time.

ADJOURNMENT

President Miner adjourned the meeting at 7:45 p.m.

APPROVED: this _____ day of _____, 2024.

SIGNED: this _____ day of _____, 2024.

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 7, 2024

TO: Watauga Economic Development Corporation Directors

FROM: Sandra Gibson, Interim City Manager and Director of Finance

SUBJECT: Consideration of approval of the Monthly Financial Report for the period ending April 30, 2024

BACKGROUND/INFORMATION:

The monthly report for the period ending April 30, 2024 is attached for the Board's review and approval.

FINANCIAL IMPLICATIONS:

Staff recommends the Board review and approve the Monthly Financial Report.

RECOMMENDATION/ACTION DESIRED:

Respectfully recommend the Board review and take action on the item presented.

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

1. EDC Monthly Financial Report -April 2024

REVIEWED BY:

Lorenza Zavala, Administrative Assistant

Sandra Gibson, Interim City Manager and Director of Finance

Linda Proskey, City Secretary

Approved as to form for inclusion on Agenda

Approved - 6/12/2024

Approved - 6/13/2024

Final Approval - 6/13/2024



AGENDA MEMORANDUM

DATE: June 12, 2024

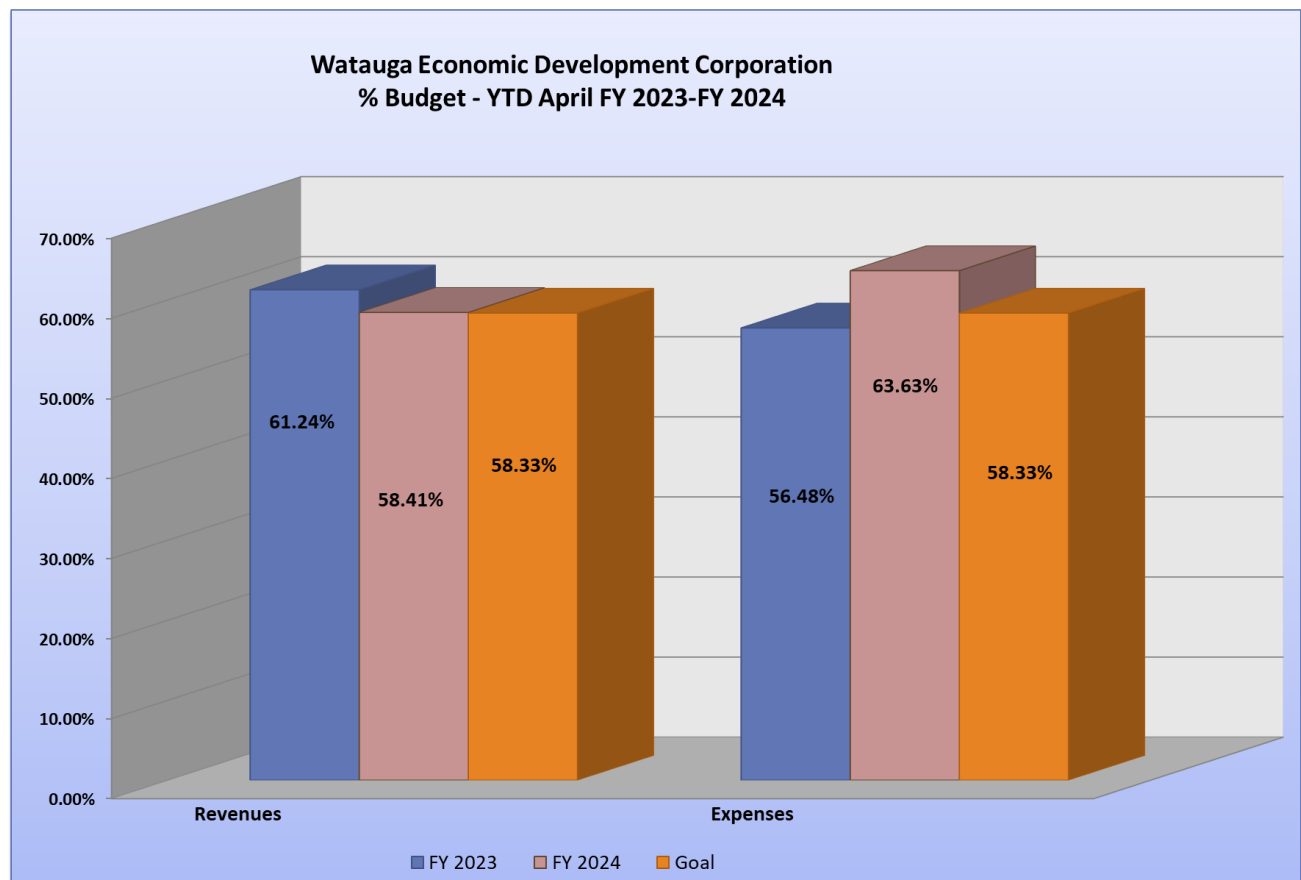
TO: Watauga Economic Development Board

FROM: Sandra Gibson, Director of Finance

SUBJECT: Financial Report for the Month of April, 2024

The attached report and below graph represent the results of transactions through April 30, 2024, which is 58% through the FY2023-FY2024 budget.

Year-to-date revenues are at 58.4% of the total budget at this time. Sales tax is trending down slightly in comparison to the prior year and interest income is up by \$26,389 from prior year. Total year-to-date expenditures are \$327,862 which is 63.6% of the budget expended for the year.





CITY OF WATAUGA
BUDGET TO ACTUAL COMPARISON
FISCAL YEAR 2024
For the period ending: April 30, 2024 (3rd FY Qtr.)

WATAUGA ECONOMIC DEVELOPMENT CORP - 04

	CURRENT BUDGET	4/30/2024 YTD ACTUAL	% USED	% REMAINING	4/30/2023 YTD ACTUAL	\$ CHG 24 vs 23	% CHG 24 vs 23
REVENUE:							
SALES TAX	996,000	551,837	55.41%	44.59%	549,757	2,080	0.38%
INTEREST EARNINGS	55,000	62,684	113.97%	-13.97%	36,295	26,389	72.71%
INTEREST/ESCROW	-	-	-	-	-	-	-
CONTRIBUTIONS/OTHER	3,500	1,463	41.79%	58.21%	1,500	(38)	-2.50%
TOTAL REVENUE	\$1,054,500	\$615,984	58.41%	41.59%	\$587,552	\$28,432	4.84%
PERSONNEL SERVICES	-	-	-	-	-	-	0.00%
NON-DEPARTMENTAL	-	-	-	-	-	-	0.00%
SUPPLIES	1,000	400	39.96%	60.04%	-	400	0.00%
MAINTENANCE	1,000	-	0.00%	100.00%	-	-	0.00%
CONTRACTUAL & SUNDRY	85,250	77,795	91.26%	8.74%	42,517	35,279	82.98%
TRANSFERS	428,000	249,667	58.33%	41.67%	244,825	4,842	1.98%
CAPITAL OUTLAY	-	-	-	-	-	-	0.00%
TOTAL EXPENDITURES	\$515,250	\$327,862	63.63%	36.37%	\$287,342	\$40,520	14.10%
EXCESS REVENUE OVER (UNDER) EXPENDITURES	\$539,250	\$288,122			\$300,210	(\$12,088)	



AGENDA MEMORANDUM

DATE: June 4, 2024

TO: Watauga Economic Development Corporation Directors

FROM: Sandra Gibson, Interim City Manager and Director of Finance

SUBJECT: Public Hearing on the Watauga Economic Development Corporation
Proposed Budget for the Fiscal Year 2024-2025

BACKGROUND/INFORMATION:

The Public Hearing is held for citizen input on the 2024-2025 Proposed Budget.

FINANCIAL IMPLICATIONS:

N/A

RECOMMENDATION/ACTION DESIRED:

Respectfully recommend the Council allow for public input as posted and advertised.

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

1. WEDC PROPOSED BUDGET FY2024-2025
2. NOTICE OF PUBLIC HEARING

REVIEWED BY:

Lorenza Zavala, Administrative Assistant

Sandra Gibson, Interim City Manager and Director of Finance

Linda Proskey, City Secretary

Approved as to form for inclusion on Agenda

Approved - 6/10/2024

Approved - 6/11/2024

Final Approval - 6/11/2024

PROPOSED BUDGET



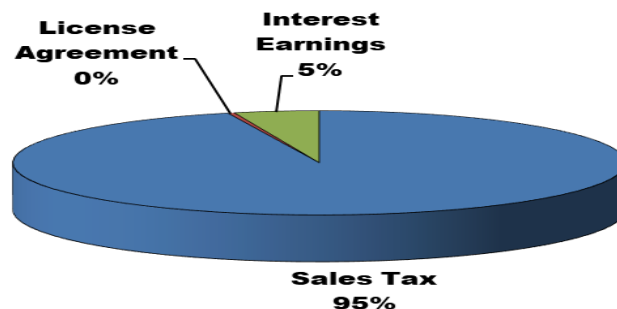
FISCAL YEAR 2024-2025

ECONOMIC DEVELOPMENT CORPORATION (FORMERLY PARKS DEVELOPMENT CORPORATION)

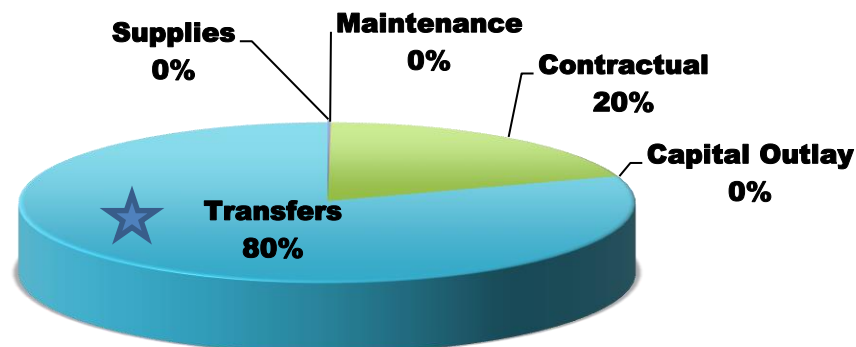
Voters established the Watauga Parks Development Corporation Sales Tax Fund to account for a ½ cent sales tax increase in May 1994 under the 4b Economic Development Legislation. The purpose of the increase in sales tax is to build city parks and improve existing parks under the supervision of the Watauga 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 FY2024-2025 are projected 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

Economic Development



Mission Statement

To make Watauga the best place to do business today and in the future by generating equitable economic growth opportunities, building strategic partnership, and maximizing resources.

Department Overview

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.

Highlights/Achievements for FY2024

- Researched and proposed the Watauga Revitalization Action Plan (WRAP) Incentive Policy designed to support local businesses by assisting with revitalization improvements.
- Economic development activity was strong for the 2024 fiscal year and included multiple business openings.
- Continued advertising efforts to include the Business Spotlight program and Shop Watauga social media platform to promote Watauga businesses.
- Continued to maintain economic development related databases to meet the needs of the development community.

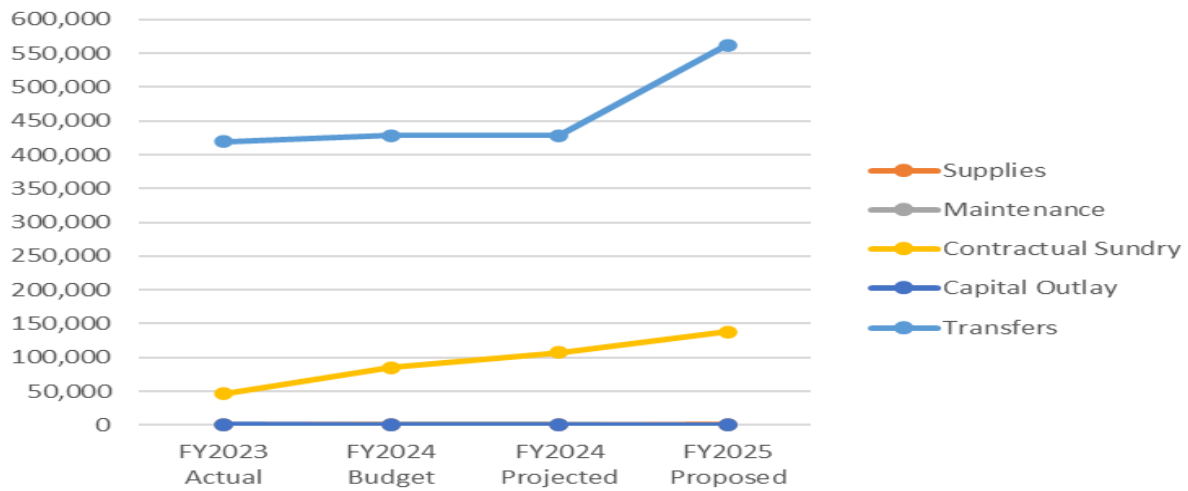
Goals/Objectives for FY2025

- Launch the WRAP program to support local business revitalization.
- Support the design and construction for the Food Business Park to support economic development efforts.
- Continue to promote Watauga businesses and stimulate participation in shop local programs.
- Prepare projects for development which allow for continued economic growth in the City.

Summary of Expenditures by Category

The Economic Development budget increased by \$185,990 primarily due to the Beautification program addition, attorney fees and allocation transfer adjustments. Transfer to EDC Capital Projects in the amount of \$100,000 includes \$90,000 for splashpad redesign and \$10,000 contingency. There were additional minor adjustments to the budget that also contributed to the overall change in the budget from 2023-2024.

	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Proposed
Supplies	308	1,000	650	1,000
Maintenance	0	1,000	1,000	300
Contractual/Sundry	46,124	85,250	107,300	138,300
Capital Outlay	1,200	0	0	0
Transfers	419,700	428,000	428,000	561,640
Total Economic Dev.	467,332	515,250	536,950	701,240



Performance Measures

Workload Indicators	FY2023 Actual	FY2024 Adopted	FY2024 Projected	FY2025 Target
Project files opened		10		
Jobs created		35		
Responses submitted	30	50	50	50
Board meetings held	4	12	8	8
Business retention visits	157	60	165	150
Economic Development agreements	1	3	1	3
Redevelopment projects	31	2	25	20
New development projects	2	2	4	2

Measurement	Strategic Goal	Measure Type	FY2023		FY2024		FY2025
			Goal	Actual	Goal	Actual	Goal
Clients served	# 3. Develop a sustainable economic development effort.	Quantitative	15	20	15	20	25
Potential new business calls/contacts	# 3. Develop a sustainable economic development effort.	Efficiency	100	29	50	20	30
New business openings	# 3. Develop a sustainable economic development effort.	Quantitative	5		2	12	
Small business development assistance	# 3. Develop a sustainable economic development effort.	Effectiveness	5	0	2	2	5

N/A- new measure



**ECONOMIC DEVELOPMENT CORPORATION
BUDGET SUMMARY - FUND 04**

	HISTORY		PROJECTED YEAR		BUDGET	%CHANGE
	2021-2022 Actual	2022-2023 Actual	2023-2024 Original Budget	2023-2024 Projected	2024-2025 Proposed	FY2024-2025 vs 2023-2024
Fund Balance, October 1*	\$1,631,094	\$1,733,255	\$2,260,280	\$2,295,551	\$2,833,101	
<u>Revenues:</u>						
Sales Taxes	929,538	952,990	996,000	996,000	996,000	0.0%
Proceeds From Sale of Assets	0	0	0	0	0	0.0%
Interest Earnings	13,921	73,826	55,000	75,000	50,000	-9.1%
License Agreement - Services	250	2,813	3,500	3,500	3,500	0.0%
Operating Revenues	\$943,709	\$1,029,628	\$1,054,500	\$1,074,500	\$1,049,500	-0.5%
Total Available Resources	\$2,574,803	\$2,762,883	\$3,314,780	\$3,370,051	\$3,882,601	
<u>Expenditures:</u>						
Business Retention	3,518	3,783	6,650	43,400	56,650	751.9%
Business Attraction	25,650	20,614	24,300	23,900	34,300	41.2%
General Administration	44,502	23,236	56,300	41,650	48,650	-13.6%
Operating Expenditures	\$73,670	\$47,632	\$87,250	\$108,950	\$139,600	60.0%
<u>Operating Transfers-Out</u>						
To General Fund	245,800	266,500	279,000	279,000	311,640	11.7%
To Internal Service Fund	0	0	0	0	0	0.0%
To Capital Projects Fund	375,000	0	0	0	100,000	0.0%
To Debt Service	147,078	153,200	149,000	149,000	150,000	0.7%
Total Operating Transfers-Out	\$767,878	\$419,700	\$428,000	\$428,000	\$561,640	31.2%
TOTAL OPERATING & TRANSFERS	\$841,548	\$467,332	\$515,250	\$536,950	\$701,240	36.1%
Fund Balance, September 30	\$1,733,255	\$2,295,551	\$2,799,530	\$2,833,101	\$3,181,361	
CHANGE IN FUND BALANCE	\$102,161	\$562,296	\$539,250	\$537,550	\$348,260	

*Includes debt service fund balance



ECONOMIC DEVELOPMENT CORPORATION

BUDGET CHANGES

Fiscal Year 2024-2025 Compared to Fiscal Year 2023-2024 Budget

DESCRIPTION	CATEGORY	ONE-TIME	ON-GOING	CHANGE EXPLANATION
Business Retention:				
Incentive Fund	Contractual/Sundry		50,000	Beautification Program addition
Business Attraction:				
Incentive Fund	Contractual/Sundry	10,000		380 Agreement adjustment
General Administration:				
Software Maintenance	Maintenance		(700)	Adobe Suites License adjustment
Dues & Subscriptions	Contractual/Sundry		50	TEDC dues increase
Attorney Fees	Contractual/Sundry		(5,000)	Usage analysis adjustment
Contractual Services	Contractual/Sundry		(2,000)	Civic Plus annual fee removal
Transfers;				
Transfer to General Fund	Transfers	32,640		Allocation adjustment
Transfer to Capital Projects Fund	Transfers	90,000		Splashpad redesign (50%)
Transfer to Capital Projects Fund	Transfers	10,000		Contingency
Transfer to General Oblig. Debt	Transfers	1,000		Allocation adjustment
TOTALS:		\$143,640	\$42,350	

\$185,990 NET INCREASE/DECREASE

ALLOCATIONS INFORMATION



SCHEDULE A - Estimated Cost for Economic Development Corporation 2024-2025			
Salary/ Benefits Personnel			
Department	Tasks performed for the EDC	Estimated hours	Estimated Cost
City Secretary - TOTAL	Records Retention/PIA/Minutes/Resolutions/Agenda Posting	416	\$18,252
Asst. to the City Secretary 10%	Records Retention/PIA	208	\$6,529
City Secretary 10%	Agenda Prep/Minutes/Resolutions/Posting	208	\$11,723
Finance - TOTAL	Financial Reporting, Budget, Annual Report, Audit, Purchasing, Accounts Payable	62	\$3,979
Finance Director & Asst. FD- Total 45 hours	Monthly Report	5	\$3,242
	EDC Attendance	5	
	Annual Budget/Annual Report/Audit	30	
Financial Analyst	Monthly Report	12	\$429
Purchasing personnel	Purchasing/Accounts Payable	10	\$309
Information Technology - TOTAL	Marketing /Website/Projects/Updates	1768	\$69,223
Media Specialist	85% of Media Specialist Position	1768	
Public Works/Parks - TOTAL	Project Coordination/Oversight	125	\$8,464
City Manager's Office	EDC Director, Business Retention, Economic Development Duties		\$192,812
EDC Coordinator	100% Economic Development Coordinator position salary & benefits	2080	\$75,837
EDC Director (City Manager)	50% City Manager salary & benefits	1040	\$116,976
Sub-total			\$292,731
Other Items			
Annual Audit Allocation	4% of Total		\$2,500
Codification Fees	15% of Total		\$1,200
Mowing of EDC project sites	9 times per year		\$15,210
Sub-total			\$18,910
GRAND TOTAL			\$311,641

CAPITAL PROJECTS



ECONOMIC DEVELOPMENT CORPORATION
BUDGET SUMMARY
FUND 05 - CAPITAL PROJECTS

	HISTORY			PROJECTED YEAR		BUDGET
	2020-2021 Actual	2021-2022 Actual	2022-2023 Actual	2023-2024 Original Budget	2023-2024 Projected	2024-2025 Proposed
Fund Balance, October 1	\$38,835	\$38,660	\$30,346	\$21,146	\$32,345	\$24,345
<u>Revenues:</u>						
Interest Earnings	61	247	1,543	100	2,000	2,000
Proceeds from Sale of Assets	0	0	456	0	0	0
Transfer from EDC Sales Tax Fund	0	375,000	0	0	0	100,000
Other Financing Sources	0	0	0	0	0	0
Matching Grants	0	0	0	0	0	0
Total Revenues	\$61	\$375,247	\$1,999	\$100	\$2,000	\$102,000
Total Available Resources	\$38,896	\$413,907	\$32,345	\$21,246	\$34,345	\$126,345
<u>Expenditures:*</u>						
Purchase of Property	0	375,000	0	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	236	0	0	0	0	90,000
Contingency	0	8,561	0	10,000	10,000	10,000
Total Expenditures	\$236	\$383,561	\$0	\$10,000	\$10,000	\$100,000
<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	(\$175)	(\$8,314)	\$1,999	(\$9,900)	(\$8,000)	\$2,000
Fund Balance, September 30	\$38,660	\$30,346	\$32,345	\$11,246	\$24,345	\$26,345
CHANGE IN FUND BALANCE	(\$175)	(\$8,314)	\$1,999	(\$9,900)	(\$8,000)	\$2,000



The Beaufort Gazette
The Belleville News-Democrat
Bellingham Herald
Centre Daily Times
Sun Herald
Idaho Statesman
Bradenton Herald
The Charlotte Observer
The State
Ledger-Enquirer

Durham | The Herald-Sun
Fort Worth Star-Telegram
The Fresno Bee
The Island Packet
The Kansas City Star
Lexington Herald-Leader
The Telegraph - Macon
Merced Sun-Star
Miami Herald
El Nuevo Herald

The Modesto Bee
The Sun News - Myrtle Beach
Raleigh News & Observer
Rock Hill | The Herald
The Sacramento Bee
San Luis Obispo Tribune
Tacoma | The News Tribune
Tri-City Herald
The Wichita Eagle
The Olympian

AFFIDAVIT OF PUBLICATION

Account #	Order Number	Identification	Order PO	Amount	Cols	Depth
18806	560128	Print Legal Ad-IPL01767860 - IPL0176786		\$68.40	1	34 L

Attention: Jeannette Garcia

CITY OF WATAUGA
7105 WHITLEY RD
FORT WORTH, TX 761482024

CSO@wataugatx.org

CITY OF WATAUGA

WATAUGA ECONOMIC
DEVELOPMENT CORPORATION
CITY HALL COUNCIL CHAMBER
7105 WHITLEY ROAD,
WATAUGA, TEXAS 76148
TUESDAY, JUNE 18, 2024
6:30 P.M.

Notice is hereby given that the Watauga Economic Development Corporation (WEDC) of the City of Watauga, Texas will hold a Public Hearing on the proposed budget for the Watauga Economic Development Corporation for the 2024-2025 Fiscal Year on Tuesday, June 18, 2024, during the WEDC meeting which begins at 6:30 p.m. in the Council Chamber at City Hall, 7105 Whitley Road, Watauga, Texas, 76148. Published on June 7, 2024, in the Fort Worth Star Telegram, Legal Notices Section.

I, Linda Proskey, City Secretary for the City of Watauga, Texas, hereby certify that this notice was posted on the official bulletin board at City Hall, 7105 Whitley Road, Watauga, Texas 76148, on June 7, 2024, before 6:00 p.m.

/s/Linda Proskey
Linda Proskey, City Secretary
IPL0176786
Jun 7 2024

THE STATE OF TEXAS COUNTY OF TARRANT

Before me, a Notary Public in and for said County and State, this day personally appeared Mary Castro, Bid and Legal Coordinator for the Star-Telegram, published by the Star-Telegram, Inc. at Fort Worth, in Tarrant County, Texas; and who, after being duly sworn, did depose and say that the attached clipping of an advertisement was published in the above named paper on the listed dates:

1 insertion(s) published on:

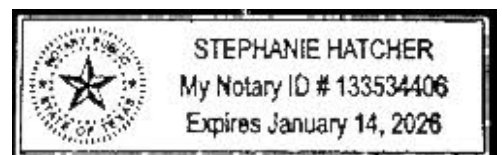
06/07/24

Mary Castro

Sworn to and subscribed before me this 7th day of June
in the year of 2024

Stephanie Hatcher

Notary Public in and for the state of Texas, residing in
Dallas County



Extra charge for lost or duplicate affidavits.
Legal document please do not destroy!



AGENDA MEMORANDUM

DATE: June 7, 2024
TO: Watauga Economic Development Corporation Directors
FROM: Sandra Gibson, Interim City Manager and Director of Finance
SUBJECT: Discussion and possible action on amending the WEDC Bylaws

BACKGROUND/INFORMATION:

The Board discussed amendments to the WEDC Bylaws at the May 21, 2024 meeting. The proposed amendments to the Bylaws are provided for the Board's review and approval. If approved, the Bylaws will be forwarded to City Council for final approval.

The City attorney has reviewed and approved the amendments.

FINANCIAL IMPLICATIONS:

N/A

RECOMMENDATION/ACTION DESIRED:

Respectfully recommend the Board review and take action on the item presented.

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

1. WEDC Bylaws Amended June 2024
2. Redlined WEDC Bylaws proposed amendments June 2024

REVIEWED BY:

Lorenza Zavala, Administrative Assistant

Approved - 6/12/2024

Sandra Gibson, Interim City Manager and Director of Finance

Approved - 6/12/2024

David Berman, City Attorney

Approved - 6/14/2024

Linda Proskey, City Secretary

Final Approval - 6/14/2024

Approved as to form for inclusion on Agenda

WATAUGA ECONOMIC DEVELOPMENT CORPORATION
BYLAWS AMENDED JUNE 2024

ARTICLE ONE: POWERS & PURPOSES

- 1.01 In order to implement the purposes for which the Corporation was formed as set forth in the Articles of Incorporation, the Corporation is organized exclusively for the purposes of benefitting and accomplishing public purposes of, and to act on behalf of the City of Watauga, Texas and the specific purposes for which the Corporation is organized and may issue bonds on behalf of the City of Watauga, Texas for the promotion and development of commercial, industrial and manufacturing enterprises to promote and encourage employment and public welfare, pursuant to Chapter 501-505 of the Local Government Code, as now or hereafter amended.
- 1.02 The Corporation is not a political subdivision or political corporation of the State of Texas within the meaning of its Constitution, and no agreements, bonds, debts, or obligations or the lending of credit, or grant of public money or anything of value, of or by the City of Watauga, Texas or any other political corporation, subdivision, or agency of the State of Texas, or a pledge of faith and credit of any of them.
- 1.03 The registered office of the Corporation is located at 7105 Whitley Road, Watauga, Texas 76148, and the registered agent of the Corporation at such address is the City Manager of the City of Watauga, Texas. The principal office for the transaction of the business of the Corporation is located at 7105 Whitley Road, Watauga, Texas 76148.

ARTICLE TWO: DIRECTORS

Powers

- 2.01 The Directors shall act only as a Board, and an individual Director shall have no power to act for the Corporation. All corporate powers of the Corporation shall be exercised by the Board of Directors or under its authority. The business and affairs of the Corporation shall be controlled by the Board of Directors, subject, however, to such limitations as are imposed by law, the Articles of Incorporation or these Bylaws. The Board of Directors may, by contract or otherwise, give general, limited or special power and authority to the officers and employees of the Corporation to transact the general business or any special business of the Corporation and may give powers of attorney to agents of the Corporation to transact any special business requiring such authorization.

- 2.02 The Directors shall appoint and consent to the City Attorney for the City of Watauga to also serve as the General Counsel for the Corporation.

Number and Qualification of Directors

- 2.03 Each Director must be a resident of the City of Watauga at the time of appointment and maintain that residency during entire tenure on the Board. The authorized number of Directors of this Corporation shall be seven (7). The place numbers for the seven (7) Directors shall be known as Place 1, Place 2, Place 3, Place 4, Place 5, Place 6, and Place 7.

Appointment and Term

- 2.04 The Directors shall be appointed by the Watauga City Council and serve at the pleasure of the Watauga City Council. A director is appointed to hold office for two (2) year terms. The terms of Director Position 1, Director Position 3, Director Position 5 and Director Position 7 directors shall expire in August of each odd-numbered year. The terms of Director Position 2, Director Position 4 and Director Position 6 shall expire in August of each even-numbered year.
- 2.05 Board Membership shall comply with Texas Local Government Code Subchapter B Sections 501.051, 505.052 and 505.053, with the exception that the number of members from the City's governing body serving as a Director/Board of the WEDC shall be limited to four (4).
- 2.06 Board members, who also serve on the governing body of the City, shall not cease to serve on Board of Directors at the time they cease to serve on the City Council; likewise, any board member who is also an employee of the City of Watauga shall cease to serve on the Board of Directors at the conclusion of their employment.

Vacancies

- 2.07 Vacancies on the Board of Directors may be filled by a majority vote of the Watauga City Council at a regular meeting or special meeting called for that purpose. A vacancy occurring on the Board of Directors may be filled by the City Council at any time. Any Director appointed by the City Council shall serve the remainder of the term of appointment of their predecessor. Nothing in this provision should be construed to prevent such a successor from being appointed and serving one or more subsequent terms.

Removal of Directors

- 2.08 The entire Board of Directors or any individual Director may be removed from their Director position with or without cause by majority vote of the Watauga City Council, and a successor may then and there be elected to fill the vacancy thus created.

Place of Meetings

- 2.09 All meetings of the Board of Directors shall be held at the principal offices of the Corporation or at such other location as the Board of Directors may designate, within the City limits of Watauga.

Annual Meetings

- 2.10 The annual meeting of the Corporation shall be held in the month of March each year. At such meetings, officers shall be appointed, reports of the Corporation's affairs shall be considered and any other business may be transacted which falls within the power of the Directors. All provisions herein pertaining to the Board of Directors meetings shall also apply to the annual meeting.

Regular Meetings

- 2.11 Regular meetings of the Board of Directors shall be held on the third Tuesday of each month between annual meetings of the corporation, and at such dates and times as the Directors may determine. Meetings shall be held no less than quarterly. Roberts Rules of Order shall be used to conduct and govern meetings. The City of Watauga Council Rules of Procedure apply to the Board. Any action taken by the board which evidences the desired intent to approve, disapprove, or table an agenda item shall not be subject to challenge based on an alleged procedural violation regarding the way the meeting was conducted. All meetings shall be conducted in accordance with the Texas Open Meetings Act, Government Code Chapter 551, as now or hereafter amended.

Special Meetings - Call and Notices

- 2.12 Special meetings of the Board of Directors for any purpose shall be called at any time by the President or, if the President is absent or unable or refuses to act, by any two Directors. Written notices of the special meetings, stating the time and place and in general terms the purpose or purposes thereof, shall be mailed, electronically mailed or personally delivered to each Director not later than the day before the day selected for the meeting. All shall be conducted in accordance with the Texas Open Meetings Act, Government Code Chapter 551, as now or hereafter amended.

Attendance

- 2.13 Attendance at the Board meetings is required of each Director and the attendance record of each Director shall be reviewed by the Council prior to any reappointment to the Board. Absences which are considered by Council to indicate the inability or unwillingness to fulfill the duties of the Director may result in the removal and the replacement of the Director as provided in section 2.08 of these bylaws.

Quorum

- 2.14 (a) A majority of the authorized number of Directors shall be necessary to constitute a quorum for the transaction of business, except to adjourn or recess a meeting.
- (b) Every act or decision done or made by a majority of the Directors present shall be regarded as the act of the Board of Directors, unless a greater number is required by law or by the Articles of Incorporation.
- (c) Each Director who is present at a meeting will be deemed to have assented to any action taken at the meeting unless the Director's dissent to the action is entered in the minutes of the meeting.

Board Action

- 2.15 Any action required or permitted to be taken by the Board of Directors must be taken pursuant to a lawfully convened meeting.

Adjournment - Notice

- 2.16 A quorum of the Directors may adjourn or recess any Directors' meeting to meet again at a stated hour on a stated day. All meetings of the Board of Directors shall be conducted in accordance with the Texas Open Meetings Act, Government Code Chapter 551, as now or hereafter amended.

Conduct of Meetings

- 2.17 The President or, in the President's absence, the Vice President (or in the absence of both, any Director selected by the Directors present), shall preside at the meeting of the Board of Directors. The President, or presiding officer in the absence of the President, shall not make motions and shall vote only in case of a tie. The Secretary of the Corporation or, in the Secretary's absence, any person appointed by the presiding officer, shall act as Secretary of the Board of Directors' meetings.

Power of Eminent Domain

- 2.18 The Corporation may exercise the power of eminent domain only on approval of the action by the Watauga City Council. The power must be exercised with and subject to the laws applicable to the City of Watauga.

Liability

- 2.19 The Corporation, individual Directors, the City of Watauga, the individual Watauga City Council Members, employees of the City of Watauga or of the Corporation are not liable for damages arising from governmental function of the Corporation or the City of Watauga.

Indemnification of Directors and Officers

- 2.20 The Board of Directors may authorize the Corporation to indemnify and/or pay expenses incurred by, or to satisfy a judgment or settle a claim or pay a fine rendered or levied against present or former Directors, officers, employees or agents of this Corporation based upon his or her action as a Director, officer, employee or agent of the Corporation while acting within the scope of his/her duties as authorized by State law.

ARTICLE THREE: OFFICERS

Title and Appointment

- 3.01 The officers of the Corporation shall be a President, one or more Vice Presidents, Secretary, Treasurer and such assistants and other officers as the Watauga City Council deems necessary to carry out the business and purposes of the Corporation. All officers shall be appointed by and hold office at the pleasure of the Board of Directors.

Powers and Duties of Officers

- 3.02 The officers of the Corporation shall have the powers and duties generally ascribed to the respective offices and such additional authority or duty as may from time to time be established by the Board of Directors. The Secretary is encouraged to furnish the telephone numbers of other WEDC board members and staff, the governing regulations, and any other pertinent information concerning the WEDC to board members within seven (7) days of their appointment.

ARTICLE FOUR: FISCAL PROVISIONS

- 4.01 The Corporation shall review and, upon approval by the Board, submit monthly financial reporting in a format utilized by the City of Watauga. All books and records of the Corporation shall be maintained by the City's Finance Department in accordance with Section 501.073 of the Texas Local Government Code. The Watauga City Council and the Corporation acknowledge and agree that the management of the Corporation's financial records shall be administered by the City pursuant to the terms of the Financial Services Agreement.
- 4.02 All expenditures of the Corporation shall be preapproved by the City Council in accordance with Texas Local Government Code Chapter 501, Subchapter A, Section 501.073, and Chapter 505. The Corporation shall have its records and accounts audited annually and shall have an annual financial statement prepared based on the audit. The audit shall be completed by the same independent auditor selected by the City Council of Watauga who is selected to conduct the City of Watauga's annual fiscal audit.
- 4.03 The corporate fiscal year shall begin October 1st and end September 30th of each year. The Executive Director shall annually prepare each year an itemized budget to cover the proposed expenditures of the Corporation for the upcoming fiscal year. The proposed itemized budget shall be submitted to the Board by the 45th day prior to the budget being considered by the Board. Once approved by the Board, the board shall submit its proposed Corporate itemized budget to the City Secretary, for record and placement on the Council agenda, for consideration and approval by the City of Watauga City Council. All expenditures shall be identified as either routine or contingent, and all routine expenditures shall be considered approved in accordance with Section 501.073 without further action by the City Counsel. All contingent expenditures must be preapproved by the City Council before any funds are disbursed. The itemized budget shall also provide as clear a comparison as practicable between expenditures included in the proposed budget and actual expenditures for the same or similar purposes made for the preceding year. The budget must contain a complete financial statement of the Corporation that shows: (1) the outstanding obligations of the Corporation; (2) the cash on hand to the credit of each fund; (3) the funds received from all sources during the preceding year; and (5) the estimated revenue available to cover the proposed budget. A public hearing shall be held by the City Council. The City Council shall set the public hearing date after the 15th day after the date the Board files the proposed budget with the City Secretary. The Corporation shall provide notice of the date, time and location of the hearing and the approval date by the City of Watauga's City Council on the Corporation's website.
- 4.04 Temporary or idle funds of the Watauga Economic Development Corporation which are undesignated, may be invested in any legal manner authorized by the Public

Funds Investment Act and authorized by the Corporation's approved Investment Policy. The Corporation's Investment Policy may be combined with the City's policy and must be reviewed and approved annually by the Board of Directors.

ARTICLE FIVE: EXECUTION OF INSTRUMENTS

- 5.01 The Board of Directors may, in its discretion, authorize an officer or officers, or other person or persons, to execute any Corporate instrument or document, or to sign the Corporate name without limitation, except where otherwise provided by law and such execution or signature shall be binding on the Corporation.

ARTICLE SIX: RECORDS AND REPORTS

Inspection of Books and Records

- 6.01 The Corporation shall keep at the principal place of business a book of minutes of all meetings, adequate business records and notices of all its transactions.
- 6.02 All books and records of the Corporation shall be open to inspection to the extent expressly provided by the Texas Open Records Act, Chapter 551 of the Government Code, as now or hereafter amended, and not otherwise. All books and records may be examined by Directors and Watauga City Council members at reasonable times.

ARTICLE SEVEN: AMENDMENT OF BYLAWS

Amendment of Bylaws

- 7.01 The power to alter, amend, or repeal these Bylaws is vested in the Directors, subject to the approval of the City Council or changes in State law.

ARTICLE EIGHT: MISCELLANEOUS PROVISIONS

Legal Authorities Governing Construction of Bylaws

- 8.01 The Bylaws shall be construed in accordance with the laws of the State of Texas. All references in the Bylaws to statutes, regulations, or other sources of legal authority shall refer to the authorities cited, or their successors, as they may be amended from time to time. It is expressly provided that the provisions of Chapter 501-505 of the Local Government Code, as now or hereafter amended, are incorporated within these Bylaws by reference. In the event of any conflict between

the applicable provisions of such Act and these Bylaws, then the applicable provisions of such Act shall control.

Legal Construction

- 8.02 If any Bylaw provision is held to be invalid, illegal, or unenforceable in any respect, the invalidity, illegality, or unenforceability shall not affect any other provision and the Bylaws shall be construed as if the invalid, illegal, or unenforceable provision had not been included in the Bylaws.

Effective Date

These Bylaws, and any subsequent amendments hereto, shall be effective as of and from the date on which approval has been given by both the Board of Directors and the City Council of the City of Watauga, Texas.

CERTIFICATE OF SECRETARY

I, the undersigned, certify that I am the elected and acting secretary of the Watauga Economic Development Corporation, a Texas corporation; and the preceding bylaws, comprising 8 pages, constitute a true and complete copy of the bylaws of the corporation as amended at a meeting of the board of directors of the corporation held on the 18th day of June 2024.

I have subscribed my name and affixed the seal of the corporation on this the 18th day of June 2024.

WATAUGA ECONOMIC DEVELOPMENT CORPORATION

By: _____
Secretary

[Seal]

Approved by City Council on the ____ day of _____, 2024.

WATAUGA ECONOMIC DEVELOPMENT CORPORATION
BYLAWS AMENDED ~~APRIL 2022~~JUNE 2024

ARTICLE ONE: POWERS & PURPOSES

- 1.01 In order to implement the purposes for which the Corporation was formed as set forth in the Articles of Incorporation, the Corporation is organized exclusively for the purposes of benefitting and accomplishing public purposes of, and to act on behalf of the City of Watauga, Texas and the specific purposes for which the Corporation is organized and may issue bonds on behalf of the City of Watauga, Texas for the promotion and development of commercial, industrial and manufacturing enterprises to promote and encourage employment and public welfare, pursuant to Chapter 501-505 of the Local Government Code, as now or hereafter amended.
- 1.02 The Corporation is not a political subdivision or political corporation of the State of Texas within the meaning of its Constitution, and no agreements, bonds, debts, or obligations or the lending of credit, or grant of public money or anything of value, of or by the City of Watauga, Texas or any other political corporation, subdivision, or agency of the State of Texas, or a pledge of faith and credit of any of them.
- 1.03 The registered office of the Corporation is located at 7105 Whitley Road, Watauga, Texas 76148, and the name of the registered agent of the Corporation at such address is the City Manager of the City of Watauga, Texas. Joshua Jones, City Manager. The principal office for the transaction of the business of the Corporation is located at 7105 Whitley Road, Watauga, Texas 76148.

ARTICLE TWO: DIRECTORS

Powers

- 2.01 The Directors shall act only as a Board, and an individual Director shall have no power to act for the Corporation. All corporate powers of the Corporation shall be exercised by the Board of Directors or under its authority. The business and affairs of the Corporation shall be controlled by the Board of Directors, subject, however, to such limitations as are imposed by law, the Articles of Incorporation or these Bylaws. The Board of Directors may, by contract or otherwise, give general, limited or special power and authority to the officers and employees of the Corporation to transact the general business or any special business of the Corporation and may give powers of attorney to agents of the Corporation to transact any special business requiring such authorization.

- 2.02 The Directors shall appoint and consent to the City Attorney for the City of Watauga to also serve as the General Counsel for the Corporation.

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Appointment and Term

- 2.04 The Directors shall be appointed by the Watauga City Council and serve at the pleasure of the Watauga City Council. A director is appointed to hold office for two (2) year terms. The terms of Director Position 1, Director Position 3, Director Position 5 and Director Position 7 directors shall expire in August of each odd-numbered year. The terms of Director Position 2, Director Position 4 and Director Position 6 shall expire in August of each even-numbered year.
- 2.05 Board Membership shall comply with Texas Local Government Code Subchapter B Sections 501.051, 505.052 and 505.053, with the exception that the number of members from the City's governing body serving as a Director/Board of the WEDC shall be limited to four (4).
- 2.06 Board members, who also serve on the governing body of the City, shall not cease to serve on Board of Directors at the time they cease to serve on the City Council; likewise, any board member who is also an employee of the City of Watauga shall cease to serve on the Board of Directors at the conclusion of their employment.

Vacancies

- 2.07 Vacancies on the Board of Directors may be filled by a majority vote of the Watauga City Council at a regular meeting or special meeting called for that purpose. A vacancy occurring on the Board of Directors may be filled by the City Council at any time. Any Director appointed by the City Council shall serve the remainder of the term of appointment of their predecessor. Nothing in this provision should be construed to prevent such a successor from being appointed and serving one or more subsequent terms.

Removal of Directors

- 2.08 The entire Board of Directors or any individual Director may be removed from their Director position with or without cause by majority vote of the Watauga City Council, and a successor may then and there be elected to fill the vacancy thus created.

Place of Meetings

- 2.09 All meetings of the Board of Directors shall be held at the principal offices of the Corporation or at such other location as the Board of Directors may designate, within the City limits of Watauga.

Annual Meetings

- 2.10 The annual meeting of the Corporation shall be held in the month of March each year. At such meetings, officers shall be appointed, reports of the Corporation's affairs shall be considered and any other business may be transacted which falls within the power of the Directors. All provisions herein pertaining to the Board of Directors meetings shall also apply to the annual meeting.

Regular Meetings

- 2.11 Regular meetings of the Board of Directors shall be held on the third Tuesday of each month between annual meetings of the corporation, and at such dates and times as the Directors may determine. Meetings shall be held no less than quarterly. Roberts Rules of Order shall be used to conduct and govern meetings. The City of Watauga Council Rules of Procedure apply to the Board. Any action taken by the board which evidences the desired intent to approve, disapprove, or table an agenda item shall not be subject to challenge based on an alleged procedural violation regarding the way the meeting was conducted. All meetings shall be conducted in accordance with the Texas Open Meetings Act, Government Code Chapter 551, as now or hereafter amended.

Special Meetings - Call and Notices

- 2.12 Special meetings of the Board of Directors for any purpose shall be called at any time by the President or, if the President is absent or unable or refuses to act, by any two Directors. Written notices of the special meetings, stating the time and place and in general terms the purpose or purposes thereof, shall be mailed, electronically mailed or personally delivered to each Director not later than the day before the day selected for the meeting. All shall be conducted in accordance with the Texas Open Meetings Act, Government Code Chapter 551, as now or hereafter amended.

Attendance

- 2.13 ~~Attendance~~ at the Board meetings is required of each Director and the attendance record of each Director shall be ~~submitted to~~reviewed by the Council prior to any reappointment to the Board. Absences which are considered by Council to indicate the inability or unwillingness to fulfill the duties of the Director may result in the removal and the replacement of the Director as provided in section 2.08 of these bylaws.

Quorum

- 2.14 (a) A majority of the authorized number of Directors shall be necessary to constitute a quorum for the transaction of business, except to adjourn or recess a meeting.
- (b) Every act or decision done or made by a majority of the Directors present shall be regarded as the act of the Board of Directors, unless a greater number is required by law or by the Articles of Incorporation.
- (c) Each Director who is present at a meeting will be deemed to have assented to any action taken at the meeting unless the Director's dissent to the action is entered in the minutes of the meeting.

Board Action

- 2.15 Any action required or permitted to be taken by the Board of Directors must be taken pursuant to a lawfully convened meeting.

Adjournment - Notice

- 2.16 ~~A quorum of the Directors may adjourn or recess any Directors' meeting to meet again at a stated hour on a stated day. In the absence of a quorum, a majority of the Directors present at any Directors' meeting, either regular or special, may adjourn or recess from time to time until the time fixed for the next regular meeting of the Board.~~ All meetings of the Board of Directors shall be conducted in accordance with the Texas Open Meetings Act, Government Code Chapter 551, as now or hereafter amended.

Conduct of Meetings

- 2.17 The President or, in the President's absence, the Vice President (or in the absence of both, any Director selected by the Directors present), shall preside at the meeting of the Board of Directors. The President, or presiding officer in the absence of the

President, shall not make motions and shall vote only in case of a tie. The Secretary of the Corporation or, in the Secretary's absence, any person appointed by the presiding officer, shall act as Secretary of the Board of Directors' meetings.

Power of Eminent Domain

- 2.18 The Corporation may exercise the power of eminent domain only on approval of the action by the Watauga City Council. The power must be exercised with and subject to the laws applicable to the City of Watauga.

Liability

- 2.19 The Corporation, individual Directors, the City of Watauga, the individual Watauga City Council Members, employees of the City of Watauga or of the Corporation are not liable for damages arising from governmental function of the Corporation or the City of Watauga.

Indemnification of Directors and Officers

- 2.20 The Board of Directors may authorize the Corporation to indemnify and/or pay expenses incurred by, or to satisfy a judgment or settle a claim or pay a fine rendered or levied against present or former Directors, officers, employees or agents of this Corporation based upon his or her action as a Director, officer, employee or agent of the Corporation [while acting within the scope of his/her duties](#) as authorized by State law.

ARTICLE THREE: OFFICERS

Title and Appointment

- 3.01 The officers of the Corporation shall be a President, one or more Vice Presidents, Secretary, Treasurer and such assistants and other officers as the Watauga City Council deems necessary to carry out the business and purposes of the Corporation. All officers shall be appointed by and hold office at the pleasure of the Board of Directors.

Powers and Duties of Officers

- 3.02 The officers of the Corporation shall have the powers and duties generally ascribed to the respective offices and such additional authority or duty as may from time to time be established by the Board of Directors. The Secretary is encouraged to furnish the telephone numbers of other WEDC board members and staff, the

governing regulations, and any other pertinent information concerning the WEDC to board members within seven (7) days of their appointment.

ARTICLE FOUR: FISCAL PROVISIONS

- 4.01 The Corporation shall review and, upon approval by the Board, submit monthly financial reporting in a format utilized by the City of Watauga. All books and records of the Corporation shall be maintained by the City's Finance Department in accordance with Section 501.073 of the Texas Local Government Code. The Watauga City Council and the Corporation acknowledge and agree that the management of the Corporation's financial records shall be administered by the City pursuant to the terms of the Financial Services Agreement.
- 4.02 All expenditures of the Corporation shall be preapproved by the City Council in accordance with Texas Local Government Code Chapter 501, Subchapter A, Section 501.073, and Chapter 505. The Corporation shall have its records and accounts audited annually and shall have an annual financial statement prepared based on the audit. The audit shall be completed by the same independent auditor selected by the City Council of Watauga who is selected to conduct the City of Watauga's annual fiscal audit.
- 4.03 The corporate fiscal year shall begin October 1st and end September 30th of each year. The Executive Director shall annually prepare each year an itemized budget to cover the proposed expenditures of the Corporation for the upcoming fiscal year. The proposed itemized budget shall be submitted to the Board ~~the 60th~~ by the 45th day prior to the budget being considered by the Board. Once approved by the Board, the board shall submit its proposed Corporate itemized budget to the City Secretary, for record and placement on the Council agenda, for consideration and approval by the City of Watauga City Council. All expenditures shall be identified as either routine or contingent, and all routine expenditures shall be considered approved in accordance with Section 501.073 without further action by the City Council. All contingent expenditures must be preapproved by the City Council before any funds are disbursed. The itemized budget shall also provide as clear a comparison as practicable between expenditures included in the proposed budget and actual expenditures for the same or similar purposes made for the preceding year. The budget must contain a complete financial statement of the Corporation that shows: (1) the outstanding obligations of the Corporation; (2) the cash on hand to the credit of each fund; (3) the funds received from all sources during the preceding year; and (5) the estimated revenue available to cover the proposed budget. A public hearing shall be held by the City Council. The City Council shall set the public hearing date after the 15th day after the date the Board files the proposed budget with the City Secretary. The Corporation shall provide notice of the date, time and location of the hearing and the approval date by the City of Watauga's City Council on the Corporation's website.

- 4.04 Temporary or idle funds of the Watauga Economic Development Corporation which are undesignated, may be invested in any legal manner authorized by the Public Funds Investment Act and authorized by the Corporation's approved Investment Policy. The Corporation's Investment Policy may be combined with the City's policy and must be reviewed and approved annually by the Board of Directors.

ARTICLE FIVE: EXECUTION OF INSTRUMENTS

- 5.01 The Board of Directors may, in its discretion, authorize an officer or officers, or other person or persons, to execute any Corporate instrument or document, or to sign the Corporate name without limitation, except where otherwise provided by law and such execution or signature shall be binding on the Corporation.

ARTICLE SIX: RECORDS AND REPORTS

Inspection of Books and Records

- 6.01 The Corporation shall keep at the principal place of business a book of minutes of all meetings, adequate business records and notices of all its transactions.
- 6.02 All books and records of the Corporation shall be open to inspection to the extent expressly provided by the Texas Open Records Act, Chapter 551 of the Government Code, as now or hereafter amended, and not otherwise. All books and records may be examined by Directors and Watauga City Council members at reasonable times.

ARTICLE SEVEN: AMENDMENT OF BYLAWS

Amendment of Bylaws

- 7.01 The power to alter, amend, or repeal these Bylaws is vested in the Directors, subject to the approval of the City Council or changes in State law.

ARTICLE EIGHT: MISCELLANEOUS PROVISIONS

Legal Authorities Governing Construction of Bylaws

- 8.01 The Bylaws shall be construed in accordance with the laws of the State of Texas. All references in the Bylaws to statutes, regulations, or other sources of legal authority shall refer to the authorities cited, or their successors, as they may be amended from time to time. It is expressly provided that the provisions of Chapter

501-505 of the Local Government Code, as now or hereafter amended, are incorporated within these Bylaws by reference. In the event of any conflict between the applicable provisions of such Act and these Bylaws, then the applicable provisions of such Act shall control.

Legal Construction

- 8.02 If any Bylaw provision is held to be invalid, illegal, or unenforceable in any respect, the invalidity, illegality, or unenforceability shall not affect any other provision and the Bylaws shall be construed as if the invalid, illegal, or unenforceable provision had not been included in the Bylaws.

Effective Date

These Bylaws, and any subsequent amendments hereto, shall be effective as of and from the date on which approval has been given by both the Board of Directors and the City Council of the City of Watauga, Texas.

CERTIFICATE OF SECRETARY

I, the undersigned, certify that I am the elected and acting secretary of the Watauga Economic Development Corporation, a Texas corporation; and the preceding bylaws, comprising 8 pages, constitute a true and complete copy of the bylaws of the corporation as amended at a meeting of the board of directors of the corporation held on the ~~19~~¹⁸th day of ~~April 2022~~June 2024.

I have subscribed my name and affixed the seal of the corporation on this the ~~18~~¹⁹th day of ~~June 2024~~April 2020.

WATAUGA ECONOMIC DEVELOPMENT CORPORATION

By: _____
Secretary

[Seal]

Approved by City Council on the ____ day of _____, 2024.