



AGENDA
WATAUGA ECONOMIC DEVELOPMENT CORPORATION
REGULAR MEETING
7105 WHITLEY ROAD, WATAUGA, TEXAS 76148
TUESDAY, JULY 16, 2024
6:30 PM

CALL TO ORDER

ROLL CALL

ANNOUNCEMENTS

PRESENTATIONS

1. Presentation of a proclamation to Party City in recognition of their 20 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 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. Does any member wish to pull any of the items?

1. Consider the approval of the WEDC minutes for June 18, 2024
2. Consideration of approval of the Monthly Financial Report for the period ending May 31, 2024.

PUBLIC HEARINGS

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 FY2024-2025; 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, Interim City Manager and 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, 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 July 12, 2024, before 5:00 p.m., in accordance with Chapter 551 of the Texas Government Code.

/S/ Linda Proskey
City Secretary





AGENDA MEMORANDUM

DATE: July 8, 2024
TO: Honorable City Council Members
FROM: Linda Proskey, City Secretary
SUBJECT: Consider the approval of the WEDC minutes for June 18, 2024

BACKGROUND/INFORMATION:

Minutes from June 18, 2024 Watauga Economic Development Corporation Meeting.

FINANCIAL IMPLICATIONS:

None

RECOMMENDATION/ACTION DESIRED:

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

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

1. June 18, 2024 WEDC Minutes - Draft

REVIEWED BY:

Lorenza Zavala, Administrative Assistant

Approved - 7/8/2024

Linda Proskey, City Secretary

Approved - 7/8/2024

Sandra Gibson, Interim City Manager and Director of Finance

Final Approval - 7/9/2024

Approved as to form for inclusion on Agenda



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

CALL TO ORDER

President, Miner called the meeting to order at 6:44 p.m.

ROLL CALL

Arthur L. Miner	Place 1, President
Calvin Lewis	Place 2, Director
Jan Hill	Place 3, Secretary
Malissa Minucci	Place 4, Vice President
Vacant	Place 5, Director
Vacant	Place 6, Director
Macy Forrester	Place 7, Director- absent with notice

Others present include:

Sandra Gibson	Interim City Manager/Finance Director
Deby Woodard	Assistant Finance Director
Lorenza Zavala	Administrative Assistant

ANNOUNCEMENTS

No Announcements at this time.

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.

Cary Everitt spoke on Watauga's retail demand outlook data on the comparative analysis for 2022 and 2024 numbers. Demand is up overall from 2022 numbers. The food service sector is still strong and a high priority for Retail Coach. Mr. Everitt highlighted some brand wins that were brought to Watauga. There is a comfortable feeling for new developments, recent prospects, and feedback that has been heard since the last ICSC conference. Many possible food and retail chains are still looking in the area. The biggest driver is space and proper square footage. Retail Coach will continue with aggressive recruitment, regular update calls with staff, and trade show representation.

VP Malissa Minucci asked if vacant storefronts are also being pushed, like Scooter's, which has closed. Mr. Everitt is actively recruiting for these challenging vacant locations. Any added residential growth is strong for recruiting.

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 approval of the minutes from the May 21, 2024, Watauga Economic Development Corporation Meeting.**
- 2. Consider action to approve the Monthly Financial Report for the period ending April 30, 2024.**

Secretary Jan Hill made a motion to accept the consent agenda as presented.
Second the motion: Director Calvin Lewis

Motion Passed 3-0-0

Ayes: Calvin Lewis, Jan Hill, Malissa Minucci

Nays: None

Absent: Macy Forrester

Abstain: None

PUBLIC HEARINGS / ACTION

- 1. Public Hearing on the Watauga Economic Development Corporation Proposed Budget for the Fiscal Year 2024-2025.**

President Miner asked Interim City Manager Gibson if there has been any changes to the budget since the last approval. Interim City Manager Gibson replied, "No."

President Public Hearing is open at 7:12pm.
There were also no requests to speak at the Public Hearing.
President Miner closed the Public Hearing at 7:12 pm.

ACTION ITEMS

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

Interim City Manager Gibson presented recommendations for changes to the Bylaws, including several administrative adjustments. The city attorney recommended amending section 1.03 to designate a position, such as the city manager, as the registered agent, rather than a specific individual.

Additional changes include revising section 2.13 so that attendance is reviewed on the website instead of in a report during reappointments, modifying section 2.16 to clarify the adjournment notice, and providing further clarification for section 2.20.

For fiscal provisions, the itemized budget must be submitted to the board by the 45th day before the budget is considered for adoption. The investment policy is recommended to align more closely with the city's investment policy, and this revised investment policy will be presented to the board for annual approval.

These proposed changes will be put on the agenda for the July 8th meeting if approved tonight.

Secretary Jan Hill makes a motion that we recommend approval by the City Council.
Second the Motion: VP Malissa Minucci

Motion Passed: 3-0-0

Ayes: Calvin Lewis, Malissa Minucci, Jan Hill
Nays: None
Absent: Macy Forrester
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 7:17 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: July 9, 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 May 31, 2024.

BACKGROUND/INFORMATION:

The Monthly Financial Report for the period ending May 31, 2024 is attached for the Board's review and approval.

FINANCIAL IMPLICATIONS:

N/A

RECOMMENDATION/ACTION DESIRED:

Staff recommends approval of the Monthly Financial Report for the

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

1. EDC Monthly Financial Report -May 2024

REVIEWED BY:

Lorenza Zavala, Administrative Assistant

Approved - 7/9/2024

Linda Proskey, City Secretary

Approved - 7/10/2024

Sandra Gibson, Interim City Manager and Director of Finance

Final Approval - 7/10/2024

Approved as to form for inclusion on Agenda



AGENDA MEMORANDUM

DATE: July 8, 2024

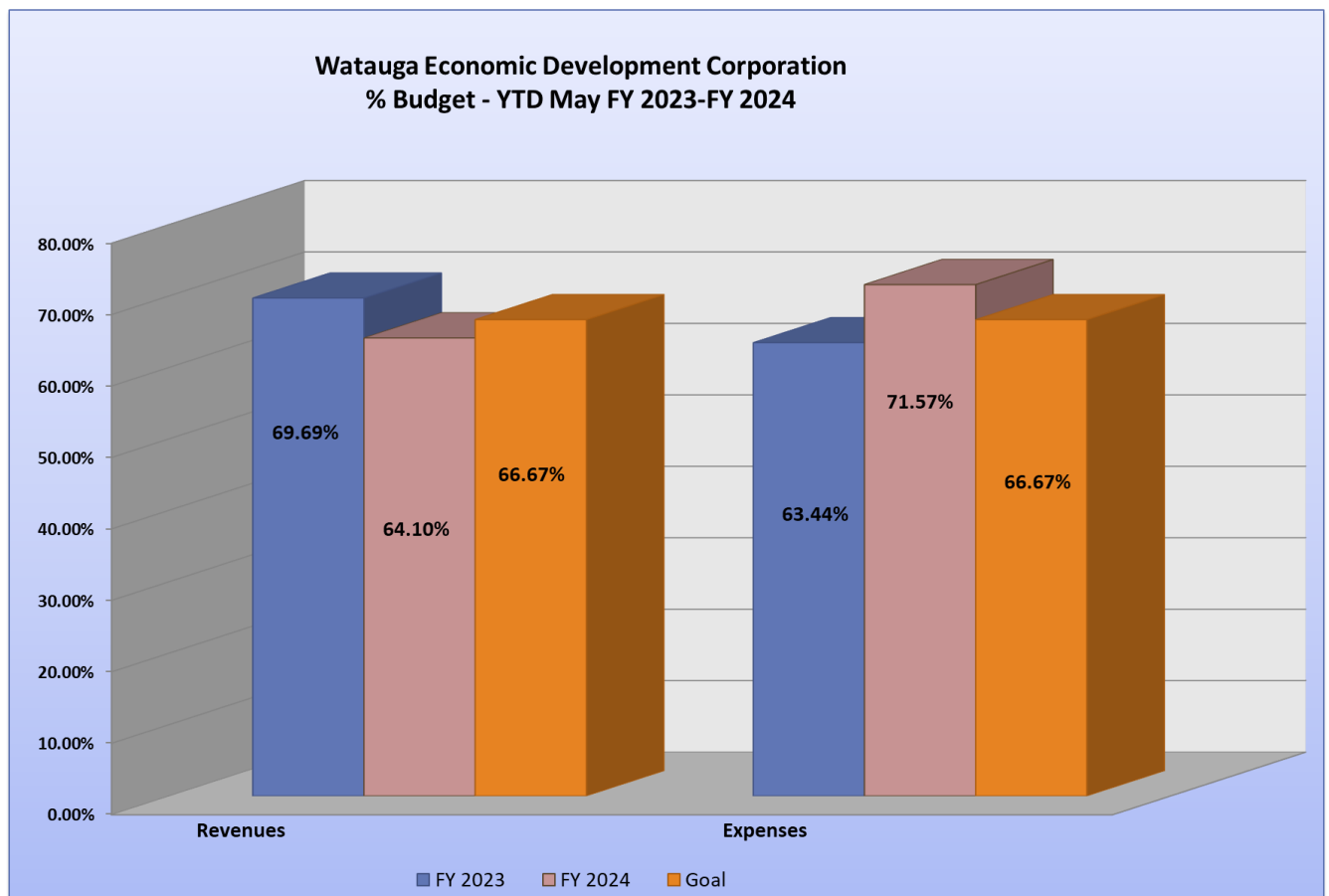
TO: Watauga Economic Development Board

FROM: Sandra Gibson, Director of Finance

SUBJECT: Financial Report for the Month of May, 2024

The attached report and below graph represent the results of transactions through May 31, 2024, which is 67% through the FY2023-FY2024 budget.

Year-to-date revenues are 64.1% of the total budget at this time. May sales tax has been estimated for this report and will be received on July 12th. Sales tax is trending down slightly in comparison to the prior year and interest income is up by \$7,330 from prior year. Total year-to-date expenditures are \$307,199 which is 71.6% of the budget expended for the year.





CITY OF WATAUGA
BUDGET TO ACTUAL COMPARISON
FISCAL YEAR 2024
For the period ending: May 31, 2024 (3rd FY Qtr.)

WATAUGA ECONOMIC DEVELOPMENT CORP - 04

	CURRENT BUDGET	5/31/2024 YTD ACTUAL	% USED	% REMAINING	5/31/2023 YTD ACTUAL	\$ CHG 24 vs 23	% CHG 24 vs 23
REVENUE:							
SALES TAX	996,000	603,380	60.58%	39.42%	624,946	(21,566)	-3.45%
INTEREST EARNINGS	55,000	70,759	128.65%	-28.65%	42,201	28,558	67.67%
INTEREST/ESCROW	-	-	-	-	-	-	0.00%
CONTRIBUTIONS/OTHER	3,500	1,838	52.50%	47.50%	1,500	338	22.50%
TOTAL REVENUE	\$1,054,500	\$675,977	64.10%	35.90%	\$668,647	\$7,330	1.10%
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	83,045	97.41%	2.59%	42,932	40,113	93.43%
TRANSFERS	428,000	285,333	66.67%	33.33%	279,800	5,533	1.98%
CAPITAL OUTLAY	-	-	-	-	-	-	0.00%
TOTAL EXPENDITURES	\$515,250	\$368,778	71.57%	28.43%	\$322,732	\$46,046	14.27%
EXCESS REVENUE OVER (UNDER) EXPENDITURES	\$539,250	\$307,199			\$345,915	(\$38,716)	



AGENDA MEMORANDUM

DATE: July 8, 2024

TO: Watauga Economic Development Corporation Directors

FROM: Sandra Gibson, Interim City Manager and 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 FY2024-2025; 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 18, 2024 to allow for citizen input on the FY2024-2025 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 2024-2025 Watauga Economic Development Proposed Budget

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

1. Res approving WEDC 2024-2025 Budget 07.16.24
2. ATTACHMENT A: WEDC PROPOSED BUDGET FY2024-2025

REVIEWED BY:

Lorenza Zavala, Administrative Assistant

Approved - 7/9/2024

David Berman, City Attorney

Approved - 7/12/2024

Sandra Gibson, Interim City Manager and Director of Finance

Approved - 7/12/2024



AGENDA MEMORANDUM

Linda Proskey, City Secretary

Final Approval - 7/12/2024

Approved as to form for inclusion on Agenda

WATAUGA ECONOMIC DEVELOPMENT CORPORATION
RESOLUTION NO. 2024-_____

A RESOLUTION OF THE WATAUGA ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS ESTABLISHING AND APPROVING THE CORPORATION'S FISCAL YEAR BUDGET FOR FY2024-2025; 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 21, 2024, the Watauga Economic Development Corporation Board was presented with a proposed budget for FY2024-2025; and

WHEREAS, the Board finds the proposed budget for FY2024-2025 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, 2024 and ending September 30, 2025 (Fiscal Year 2024-2025) 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 2024-2025 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 16th day of July 2024.

APPROVED

Arthur L. Miner, President

ATTEST:

Jan Hill, Secretary

APPROVED AS TO FORM AND LEGALITY:

David Berman, Corporation General Counsel

PROPOSED BUDGET



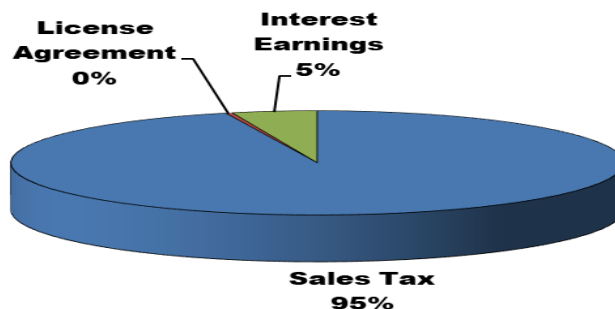
FISCAL YEAR 2024-2025

ECONOMIC DEVELOPMENT CORPORATION (FORMERLY PARKS DEVELOPMENT CORPORATION)

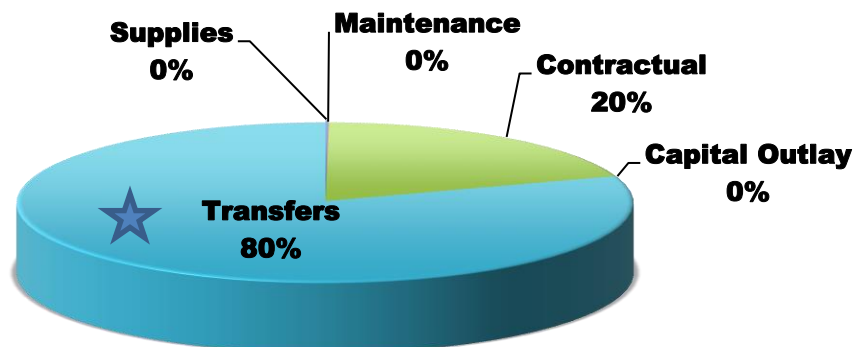
Voters established the Watauga Parks Development Corporation Sales Tax Fund to account for a ½ cent sales tax increase in May 1994 under the 4b Economic Development Legislation. The purpose of the increase in sales tax is to build city parks and improve existing parks under the supervision of the Watauga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

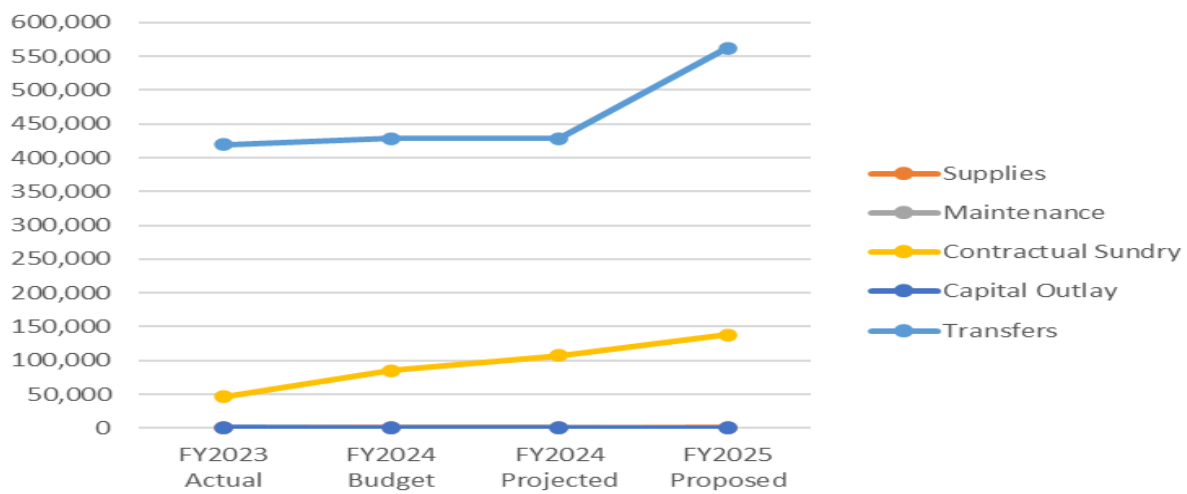
Goals/Objectives for FY2025

- 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



AGENDA MEMORANDUM

DATE: July 8, 2024

TO: Watauga Economic Development Corporation Directors

FROM: Sandra Gibson, Interim City Manager and 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 FY2024-2025 is \$311,640 and is included in the Proposed FY2024-2025 Economic Development Corporation Budget.

The Agreement would begin October 1, 2024 and terminate September 30, 2025 if approved by the Board.

FINANCIAL IMPLICATIONS:

The amount estimated for FY2024-2025 is \$311,640.

RECOMMENDATION/ACTION DESIRED:

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

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

1. Staffing and Reimbursement Agreement Draft 2024-2025
2. ATTACHMENT A: EDC ALLOCATION WORKSHEET (2024-25) rev

REVIEWED BY:

Lorenza Zavala, Administrative Assistant

David Berman, City Attorney

Sandra Gibson, Interim City Manager and Director of Finance

Linda Proskey, City Secretary

Approved as to form for inclusion on Agenda

Approved - 7/9/2024

Approved - 7/12/2024

Approved - 7/12/2024

Final Approval - 7/12/2024

**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~~⁵ 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 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	
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