



AGENDA
WATAUGA ECONOMIC DEVELOPMENT CORPORATION
REGULAR MEETING
7105 WHITLEY ROAD, WATAUGA, TEXAS 76148
TUESDAY, MAY 21, 2019
6:00 PM

CALL TO ORDER

CITIZEN'S OPEN FORUM (The Citizens Open Forum section of the agenda is an opportunity for citizens to speak regarding matters that are not posted on that particular meeting's agenda. Individual citizens speaking during the Citizens Open Forum shall not exceed three (3) minutes in their comments; however, the Chair may extend the speaker's allotted time. At the beginning of the Citizens Open Forum section of the meeting, citizens desiring to speak shall stand* when prompted by the Chair so that they may be recognized and recorded as the individuals who will speak. Only those citizens who stand* during this time of recognition will be allowed to speak. The Chair shall ask each citizen wishing to speak to come to the podium to speak in turn in an orderly manner. Before providing comments, each speaker must state his or her name and address for the record. If speaking for an organization or group, the speaker should identify the group represented. Because this section of the meeting is for matters not posted on that particular meeting's agenda, members of the Board, Committee, Commission, or Corporation 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.)

REPORTS FROM STAFF

1. Monthly Financial Report - April 2019
Sandra Gibson, CGFO, CGFM, Director of Finance
2. Monthly Activity Report - April 2019
Andrea Gardner, City Manager

APPROVAL OF MINUTES

1. Approval of minutes of April 16, 2019.

PUBLIC HEARING

NEW BUSINESS

1. Consider and select committee members to review Request for Proposal for Legal Services for the Watauga Economic Development Corporation.
2. Strategic Plan for Economic Development

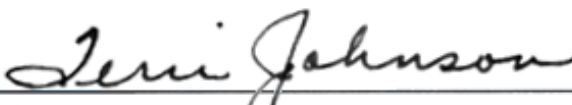
3. Discussion and direction of director(s) and attendance for mandatory training at an EDC Training Workshop
4. Consideration and action on amendments to the Bylaws of the Watauga Economic Development Corporation

ADJOURNMENT

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, Terri Johnson, Interim 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 Friday, May 17, 2019, before 6:00 p.m., in accordance with Chapter 551 of the Texas Government Code.


Terri Johnson, Interim City Secretary





AGENDA MEMORANDUM

DATE: May 17, 2019

TO: Watauga Economic Development Corporation Directors

FROM: Sandra Gibson, CGFO, CGFM, Director of Finance

SUBJECT: Monthly Financial Report - April 2019

BACKGROUND/INFORMATION:

Attached is the Monthly Financial Report for the period ending April 30, 2019 for the board's review.

FINANCIAL IMPLICATIONS:

N/A

RECOMMENDATION/ACTION DESIRED:

N/A

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

1. EDC Monthly Financial - April 2019 REPORT

REVIEWED BY:

Andrea Gardner, City Manager

Final Approval - 5/17/2019

Approved as to form for inclusion on Agenda



AGENDA MEMORANDUM

DATE: May 15, 2019

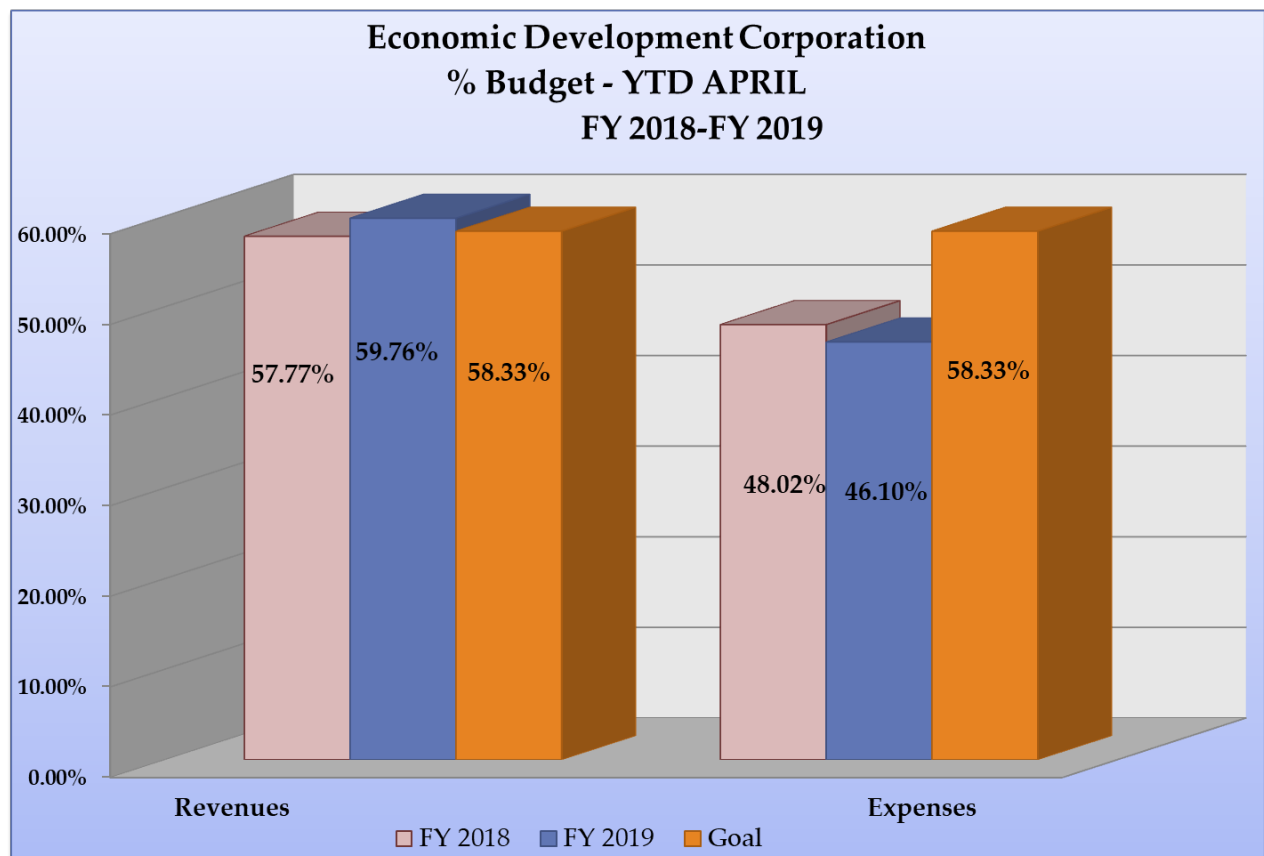
TO: Watauga Economic Development Board

FROM: Sandra Gibson, Director of Finance

SUBJECT: Financial Report for the Month of April 2019

The attached report and below graph represent the results of transactions through April 2019 which is the 7th month of the fiscal year and 58% through the FY2018-19 budget.

The year-to-date sales tax distribution is \$433,597 which is 59.6% of budgeted sales tax revenues. Total year-to-date expenditures are \$366,304 which is 46.1% of the budget expended for the year.



**CITY OF WATAUGA
BUDGET TO ACTUAL COMPARISON
FISCAL YEAR 2019
For the period ending April 30, 2019 (3rd FY Qtr.)**

ECONOMIC DEVELOPMENT CORP - 04

	CURRENT BUDGET	4/30/2019 YTD ACTUAL	% USED	% REMAINING	4/30/2018 YTD ACTUAL	\$ CHG 19 vs 18	% CHG 19 vs 18
REVENUE:							
SALES TAX	728,000	433,597	59.56%	40.44%	420,240	13,357	3.18%
INTEREST EARNINGS	7,500	5,962	79.49%	20.51%	4,938	1,024	20.74%
INTEREST/ESCROW	-	-	-	-	-	-	-
CONTRIBUTIONS/OTHER	-	-	-	-	-	-	-
TOTAL REVENUE	\$735,500	\$439,559	59.76%	40.24%	\$425,178	14,381	3.38%
PERSONNEL SERVICES	447,400	229,419	51.28%	48.72%	234,657	(5,238)	-2.23%
NON-DEPARTMENTAL	21,390	9,590	44.84%	55.16%	7,802	1,788	22.92%
SUPPLIES	63,100	12,751	20.21%	79.79%	18,741	(5,990)	-31.96%
MAINTENANCE	62,200	24,219	38.94%	61.06%	34,924	(10,705)	-30.65%
CONTRACTUAL & SUNDRY	144,100	54,805	38.03%	61.97%	40,990	13,815	33.70%
TRANSFERS	50,900	30,020	58.98%	41.02%	20,589	9,431	45.81%
CAPITAL OUTLAY	5,500	5,500	100.00%	0.00%	6,200	(700)	0.00%
TOTAL EXPENDITURES	794,590	366,304	46.10%	53.90%	\$ 363,902	2,402	0.66%
EXCESS REVENUE OVER (UNDER) EXPENDITURES	(\$59,090)	\$73,254			\$61,275	\$11,979	

100.00%



AGENDA MEMORANDUM

DATE: May 17, 2019
TO: Watauga Economic Development Corporation Directors
FROM: Andrea Gardner, City Manager
SUBJECT: Monthly Activity Report - April 2019

BACKGROUND/INFORMATION:

Receive Monthly Economic Development Activity Report

FINANCIAL IMPLICATIONS:

RECOMMENDATION/ACTION DESIRED:

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

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

None

REVIEWED BY:

Andrea Gardner, City Manager

Final Approval - 5/17/2019

Approved as to form for inclusion on Agenda



AGENDA MEMORANDUM

DATE: April 24, 2019
TO: Watauga Economic Development Corporation Directors
FROM: Andrea Gardner, City Manager
SUBJECT: Approval of minutes of April 16, 2019.

BACKGROUND/INFORMATION:

Minutes of the April 16, 2019 Regular Meeting are attached.

FINANCIAL IMPLICATIONS:

RECOMMENDATION/ACTION DESIRED:

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

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

1. 4-16-19

REVIEWED BY:

Andrea Gardner, City Manager

Final Approval - 5/17/2019

Approved as to form for inclusion on Agenda

MINUTES
WATAUGA ECONOMIC DEVELOPMENT CORPORATION
REGULAR MEETING
7105 WHITLEY ROAD, WATAUGA, TEXAS 76148
APRIL 16, 2019
6:00 P.M.

DIRECTORS PRESENT:

Art Miner, President, Place 1
Pete Beierschmitt, Vice-President, Place 7
Leah Chauvin, Place 2
Jan Hill, Place 3
Joy Longerbeam, Place 5

DIRECTORS ABSENT:

Becky Hartless, Secretary, Place 4

With City Staff Present:

Andrea Gardner, City Manager
Denise Wilkinson, Economic Development Specialist

CALL TO ORDER:

President Miner called the meeting to order at 6:00 PM.

REPORTS FROM STAFF

1. Monthly Financial Report for March 2019
Ms. Gardner presented the March 2019 Financial Report.
2. Monthly Activity Report for April 2019
Ms. Gardner presented the April 2019 Monthly Activity Report

APPROVAL OF MINUTES:

1. Regular Meeting Minutes of March 19, 2019

Mr. Beierschmitt made a motion to approve the minutes of March 19, 2019 as amended. Ms. Longerbeam seconded the motion with all members present voting aye.

AYES: Beierschmitt, Chauvin, Hill, Longerbeam
NAYS: None
ABSENT: None

NEW BUSINESS:

1. Consideration and action on amendments to the Bylaws of the Watauga Economic Development Corporation
Discussion was held. Ms. Longerbeam made a motion to allow further review by the Board and to postpone action to the May meeting. Ms. Hill seconded and the motion carried with all directors voting aye.

AYES: Beierschmitt, Chauvin, Hill, Longerbeam
NAYS: None
ABSENT: None

2. Discussion and direction on Watauga EDC logo/motto
Consensus of the Board was to use the City of Watauga logo for now while a new logo/motto is developed, recommended and submitted for consideration.
3. Consideration and action on draft Listing Agreement for 6200 and 6250 Watauga Road, between City of Watauga/Watauga Economic Development Corporation and Robert Lynn Company DBA NAI Robert Lynn

Ms. Longerbeam made a motion to postpone consideration of this contract. Ms. Hill seconded and the motion carried with all directors voting aye.

AYES: Beierschmitt, Chauvin, Hill, Longerbeam
NOES: None
ABSENT: None

4. Consideration and discussion for legal services for Watauga Economic Development Corporation

Consensus of the Board was to have a Request for Qualification on the June, 2019 agenda for consideration.

ADJOURNMENT:

With no further business to discuss, President Miner adjourned the meeting at 6:37.

APPROVED: this the _____ day of _____ 201__.

SIGNED: this the _____ day of _____ 201__.

APPROVED: _____
Art Miner, President

ATTEST: _____
Becky Hartless, Secretary



AGENDA MEMORANDUM

DATE: April 24, 2019

TO: Watauga Economic Development Corporation Directors

FROM: Andrea Gardner, City Manager

SUBJECT: Consider and select committee members to review Request for Proposal for Legal Services for the Watauga Economic Development Corporation.

BACKGROUND/INFORMATION:

The City Manager discussed the need for separate legal counsel for the Corporation. The City and the Corporation are separate entities organized under separate authority so it is staff's recommendation the two should be represented by separate legal counsel from that of the City.

During the April Board Meeting the Board authorized City staff to conduct an RFP (Request for Proposals) for the purposes of identifying a firm to serve as legal counsel for the Corporation. Furthermore, Mark Daniel submitted his resignation as City Attorney on May 10, 2019.

Staff recommends the Board select two members to serve with City staff selected by the City Manager as the review committee for the RFP evaluations. The Board may decide to conduct interviews of the top firms prior to making a selection and negotiating a contract.

FINANCIAL IMPLICATIONS:

RECOMMENDATION/ACTION DESIRED:

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

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

None

REVIEWED BY:

Andrea Gardner, City Manager

Final Approval - 5/17/2019

Approved as to form for inclusion on Agenda



AGENDA MEMORANDUM

DATE: April 24, 2019
TO: Watauga Economic Development Corporation Directors
FROM: Andrea Gardner, City Manager
SUBJECT: Strategic Plan for Economic Development

BACKGROUND/INFORMATION:

Strategic planning is critical to the success of an organization and Section 30-20 of the City's Code of Ordinances requires the Board to devise and update a Strategic Plan for Economic Development. In an effort to assist with the development of such plan, staff needs direction on hiring a consultant to conduct the planning session or utilizing staff for that purpose.

FINANCIAL IMPLICATIONS:

RECOMMENDATION/ACTION DESIRED:

City staff respectfully request direction from the Board regarding the process for developing a Strategic Plan.

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

None

REVIEWED BY:

Andrea Gardner, City Manager

Final Approval - 5/17/2019

Approved as to form for inclusion on Agenda



AGENDA MEMORANDUM

DATE: May 16, 2019

TO: Watauga Economic Development Corporation Directors

FROM: Andrea Gardner, City Manager

SUBJECT: Discussion and direction of director(s) and attendance for mandatory training at an EDC Training Workshop

BACKGROUND/INFORMATION:

The City of Watauga Code of Ordinances Section 30-21 requires EDC Board Members to attend Economic Development training within one year of appointment to the Board. Thus, City staff recommends the attached training course to satisfy the ordinance requirement. In January 2019, Art Minor, Jan Hill and Leah Chauvin attended the Elected Officials training on economic development held by TEEX at the Hector F. Garcia Community Center, thus the requirement has been satisfied for those Board Members.

City staff needs direction from the Board on the attendance for the remaining board members so that registration can be completed for the course.

FINANCIAL IMPLICATIONS:

The registration fee is \$175 per Board Member and the hotel rate varies depending on location selected (see attached).

RECOMMENDATION/ACTION DESIRED:

City staff respectfully request the Board provide direction on attendance at an Economic Development training course.

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

1. EDC Training Opportunities
2. Sales Tax Workshop

REVIEWED BY:

Denise Wilkinson, Economic Development Specialist
Andrea Gardner, City Manager
Approved as to form for inclusion on Agenda

Approved - 5/17/2019
Final Approval - 5/17/2019



May 1st, 2019

Dear Sir or Madam:

The economic development sales tax was created in 1989 to give Texas cities the financial resources to attract and retain primary jobs and create wealth in their communities. In 1991, the legislature expanded the law for community development purposes.

Today, the tax is the undisputed workhorse of local economic and community development efforts, serving as the backbone of economic and community development programs in more than 600 communities and 700 EDCs across the state.

Section 502.101 of the Local Government Code requires training of individuals associated with economic development corporations. Specifically, one of the following individuals are required to attend: the city attorney, the city administrator or the city clerk, and, the executive director or other person who is responsible for the day-to-day administration of the corporation. Corporation funds may be used to pay the costs of attending the seminar.

Over the past several years, more and more EDC board members and local elected officials have been attending. In turn, EDC organizations have improved their operations and decision-making processes.

The Texas Economic Development Council (TEDC) has been providing EDC training workshops statewide since 2005.

The 2019 workshops will be held in the following locations:

Abilene, TX - August 23, 2019
San Antonio, TX – September 20, 2019
Houston, TX - October 25, 2019

Mesquite, TX - November 22, 2019
Austin, TX - December 13, 2019

To register for a workshop near you, please go to www.texasedc.org.

I look forward to seeing you at an upcoming workshop.

Sincerely,

Carlton Schwab
President/CEO

Dates: June 12-14, 2019

Location: Hilton Hotel, Rockwall, TX

Registration Fee: \$350 member/\$425 non-member

Room Block Rate: \$189

Webinar: Trends in Online Site Selection & GIS Technology - How Businesses and Site Selectors Use the Web to Screen and Select Communities

Date: Wednesday, June 19, 2019

Time: 10:30 AM-12:00 PM (Central Time)

Presenter: Dr. Alissa Sklar, Vice President of Marketing, GIS Planning, Inc.

Registration: \$79/individual \$295/Group of 5 or more

AUGUST 2019

Economic Development Sales Tax Workshop

Dates: August 23, 2019

Location: Hilton Garden Inn, Abilene, TX

Registration Fee: \$175

Room Block Rate: \$109

SEPTEMBER 2019

Economic Development Sales Tax Workshop

Dates: September 20, 2019

Location: DoubleTree Hotel, San Antonio, TX

Registration Fee: \$175

Room Block Rate: \$134

Webinar: An Economic Boost for Companies that Export and Attracting Foreign Direct Investment with U.S. Commercial Service of the U.S. Dept. of Commerce

NOVEMBER 2019

Basic Economic Development

Course (Registration Opens in July)

Dates: November 12-15, 2019

Location: Hilton Hotel, Waco, TX

Registration Fee: \$700

Room Block Rate: \$145

Economic Development Sales Tax Workshop

Dates: November 22, 2019

Location: Hampton Inn, Mesquite, TX

Registration Fee: \$175

Room Block Rate: \$115

DECEMBER 2019

Economic Development Sales Tax Workshop

Dates: December 13, 2019

Location: Marriott Hotel, Austin, TX

Registration Fee: \$175

Room Block Rate: \$122

PAST RECENT EVENTS

Winter Conference (Agenda)

Dates: February 21-23, 2018 | Location: The
Westin Riverwalk, San Antonio, TX

Webinar: The World is Changing and so is Economic Development

Date: March 21, 2018

Webinar: Driving Economic Development with TIRZ

Date: Wednesday, April 11, 2018



AGENDA MEMORANDUM

DATE: May 16, 2019

TO: Watauga Economic Development Corporation Directors

FROM: Andrea Gardner, City Manager

SUBJECT: Consideration and action on amendments to the Bylaws of the Watauga Economic Development Corporation

BACKGROUND/INFORMATION:

During the April 2019 Board meeting, the City Manager reviewed draft by-laws with the Board and the requested revisions are included in the attached.

FINANCIAL IMPLICATIONS:

RECOMMENDATION/ACTION DESIRED:

City Staff respectfully requests the Board recommend approval of the attached By-laws to the City Council.

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

1. WPDC Bylaws Final 2019

REVIEWED BY:

Denise Wilkinson, Economic Development Specialist

Andrea Gardner, City Manager

Approved as to form for inclusion on Agenda

Approved - 5/17/2019

Final Approval - 5/17/2019

WATAUGA ECONOMIC DEVELOPMENT CORPORATION
BYLAWS

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 the Development Corporation Act of 1979, Article 5190.6, Section 4B, Vernon's Annotated Civil Statutes, 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 Andrea Gardner, 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 or 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.

Number and Qualification of Directors

- 2.02 The authorized number of Directors of this corporation shall be seven (7). 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.

Election and Term of Office

- 2.03 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.
- 2.04 Board Membership shall comply with Texas Local Government Code Subchapter B Sections 501.051, 505.052 and 505.053.

Vacancies

- 2.05 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.

Removal of Directors

- 2.06 The entire Board of Directors or any individual Director may be removed from office with or without cause by majority vote of the Watauga City Council.

Place of Meetings

- 2.07 All meetings of the Board of Directors shall be held within the City limits of Watauga.

Annual Meetings

- 2.08 The annual meeting of the corporation shall be held in the month of February 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

- 2.09 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. Regular 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

- 2.10 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 or telegraphed or personally delivered to each Director not later than the day before the day appointed for the meeting. Special meetings shall be conducted in accordance with the Texas Open Meetings Act, Government Code Chapter 551, as now or hereafter amended.

Quorum

- 2.11 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. 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. 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

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

Adjournment - Notice

- 2.13 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

- 2.1 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

- 2.1 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

- 2.1 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

- 2.1 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 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 to new members the telephone numbers of other WEDC board members and staff, the governing regulations, and any other pertinent information concerning the WEDC to the new board member within seven (7) days of the new director's 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 completed 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 an independent auditor selected by the City of Watauga.
- 4.03 The Executive Director shall prepare each year a Corporation itemized budget to cover the proposed expenditures of the Corporation for the succeeding year. The proposed budget shall be submitted to the Board the 90th day prior to the Board adoption of the budget. The Board shall submit the proposed itemized budget to the City Secretary, for record and placement on the Council agenda, before the 30th day the City of Watauga City Council is scheduled to approve the Corporation's budget. The itemized budget shall 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 show as definitively as possible each of the projects for which expenditures are set up in the budget and the estimated amount of money carried in the budget for each project. 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 governing body. The governing body 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 The Executive Director with the approval of the City Manager shall be authorized to complete line item transfers within the Budget, without increasing the total budget. These line item transfers will be completed by budget reallocation, as needed, and will be presented to the Board of Directors for approval. Estimated expenditures shall not exceed estimated resources. If at any time the budget needs to be amended through an increase, a majority vote of the Board of Directors and approval of the City of Watauga City Council.
- 4.05 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 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.

Recommended for Approval by the Board of Directors on the 21st day of May, 2019.