NOTICE OF MEETING
OF THE COPPERAS COVE
ECONOMIC DEVELOPMENT CORPORATION

Notice is hereby given that the **Special Meeting** of the Copperas Cove Economic Development Corporation will be held on **Tuesday, July 5, 2016 at 12:00 p.m.** in the Copperas Cove Economic Development Corporation Office at 210 South First Street, Copperas Cove, Texas 76522 at which time the following agenda will be discussed.

1. **CALL TO ORDER**

2. **INVOCATION**

3. **PLEDGE OF ALLEGIANCE**

4. **ROLL CALL**

5. **CITIZENS FORUM**

   At this time, citizens will be allowed to speak on any matter other than personnel matters, matters under litigation, or matters on the regular agenda, for a length of time not to exceed five minutes per person. Thirty minutes total has been allotted for this section.

6. **ANNOUNCEMENTS**

7. **OLD BUSINESS**

   a. Discussion and consideration of action regarding approving the FY2016-2017 Proposed Budget as it relates to House Bill 157.

8. EXECUTIVE SESSION

Pursuant to §551.074 of the Open Meeting Act *Tex. Gov't. Code,* a governmental body may conduct a closed meeting to deliberate the appointments employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee.

a. Discussion and consideration of action regarding the Executive Director search.

RECONVENE INTO OPEN SESSION FOR POSSIBLE ACTION RESULTING FROM ANY ITEM POSTED AND LEGALLY DISCUSSED IN EXECUTIVE SESSION.

9. ADJOURN

The Board of Directors reserves the right to adjourn into Executive Session at any time regarding any issue on this agenda for which it is legally permissible.
Copperas Cove Economic Development Corporation office is wheelchair accessible and parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to the meeting. Please contact the office manager at (254) 547-7874 ext. 23 or FAX (254) 547-7388 for information or assistance.

I, undersigned authority, do hereby certify that the above Notice of Meeting of the Copperas Cove Economic Development Corporation was posted on July 01, 2016 at 12:00 p.m. on the glass front door of the Copperas Cove Economic Development Corporation a place convenient and readily accessible to the general public at all times.

Cindi Novak

Cindi Novak
Office Administrator

Copperas Cove
Economic Development Corporation

July 5, 2016

Agenda Item No. 7 (a)

Subject: Discussion and consideration of action regarding approving the FY2016-2017 Proposed Budget as it relates to House Bill 157.

Description/Information: HB 157 allows Cities to redistribute the 2% sales tax that is collected within the community via an election. Of that 2%, Coryell County receives .5%, the CCEDC receives .5%, and the City receives 1%. This new legislation allows the City to hold an election to redistribute the sales tax allocation and may propose that the CCEDC's share be reduced to .375% (or 3/8%) and the City would receive 1.125% (or 1 1/8 percent). CCEDC was directed to show the City Council a budget that takes the reduced income into account.

The reductions are as follows:

- Reduce sales tax revenue from $1,485,000 to $1,128,600
  - Still reflects a 1% reduction in sales tax revenues

- In Capital Projects, Land Exchange:
  - Survey/Engineering Fees were reduced from $300,000 to $100,000

- In Capital Projects: The Narrows Business & Technology Park
  - Electric Services Construction was reduced from $50,000 to 0

- One change not related to this reduction in revenue is to increase the General Administration: Consultant(s) line item from $1,000 to $15,000 in order to fund possible strategic planning services.

- Another change is the amount of the sidewalk grant contribution. CCEDC will pay $19,820.00 in the current Fiscal Year and $65,541.90 in FY2016-2017 Budget year, a reduction of nearly $45,000 from the proposed $110,000.00.

The bottom line is that CCEDC's budget surplus was reduced from approximately $1.2 million to just over $1 million.

This proposed budget will be presented to the City Council on July 7, 2016, along with the reductions requested.

Financial Impact: None at this time.

Action/Recommendation: Staff recommends approval of the Proposed CCEDC FY16-17 Budget.

	Proposed Budget FY2016-17 .05 Sales Tax	Proposed Budget FY2016-17 .38 Sales Tax	
BEGINNING FUND BALANCE	10/1/2016	10/1/2016	
Operating Fund	$435,488	$435,488	(avg minus P&I) (X-fer $173,587 into I.F.)
Land Fund	$1,907,103	$1,907,103	Proceeds from land sales
Ideal Fund Balance	$200,000	$195,000	Dedicated 90 day Reserve
Total	$2,542,591	$2,537,591	
TOTAL OPERATING EXPENDITURES	$1,151,843	$1,145,743	Includes Debt Service
TOTAL CAPITAL PROJECTS	$2,450,350	$2,200,350	
TOTAL EXPENDITURES	$3,602,193	$3,346,093	
TOTAL FUNDS	$2,542,591	$2,537,591	
TOTAL REVENUES	$2,260,900	$1,900,228	
AVAILABLE FUNDS FOR FY2017-18	$1,201,298	$1,091,726	

Proposed Budget
FY2016 -17

	G/L Number	Approved Budget FY2015-16	Projected FY2015-16	Proposed Budget FY2016-17	Proposed Budget FY2016-17	
				.50 Sales Tax	.38 Sales Tax	
REVENUES						
Income Sources:						
Entrepreneur Center	4300	$8,000	$12,500	$16,500	$16,500	3 Tenants
Interest Earnings	4600	$1,800	$1,800	$1,600	$1,600	
Local Sales Tax	4110	$18,000	$17,640	$17,800	***$13,528***	1% Less
State Sales Tax	4111	$1,500,000	$1,470,000	$1,485,000	***$1,128,600***	1% Less
Property Sales	4900	$350,000	$350,000	$740,000	$740,000	Phase II, Five Hills
TOTAL INCOME		**$1,877,800**	**$1,851,940**	**$2,260,900**	**$1,900,228**	
EXPENDITURES						
7000 - Personnel:						
Staff Salary	7000-1001	$257,718	$195,000	$242,433	$242,433	1% COLA, ED Salary 90K
Educational Assistance	7000-1103	$1,500	$0	$1,500	$1,500	
Exec. Director Car Allowance	7000-1002	$6,000	$0	$6,000	$6,000	$500/month
Phone Stipend	7000-1003	$0	$0	$2,400	$2,400	New
Medical Plan/Emp. Insurance	7000-1102	$42,000	$15,000	$25,000	$25,000	
Payroll Expenses	7000-1100	$38,000	$14,000	$20,000	$20,000	
Pension Plan	7000-1101	$38,000	$25,000	$33,000	$33,000	
Workers Comp Insurance	7000-1104	$1,000	$1,385	$1,000	$1,000	
Total Personnel		**$384,218**	**$250,385**	**$331,333**	**$331,333**	
7100 - Business Retention:						
Advertising/Marketing	----------	----------	----------	----------	----------	
Flyers/Design	7100-2331	$840	$550	$840	$840	
Newspaper/Publications	7100-2332	$4,225	$1,700	$4,000	$4,000	
Newsletter	7100-2333	$2,200	$500	$1,500	$1,500	
Business Workshops	7100-2336	$3,000	$1,800	$2,700	$2,700	
Incentive Fund	7100-2900	$30,000	$0	$30,000	$30,000	
Memberships	7100-2360	$800	$250	$500	$500	
Shop Cove/Retention Program	7100-2337	$3,500	$3,000	$3,500	$3,500	
Travel	7100-2350	$2,000	$1,000	$2,000	$2,000	
Total Business Retention		**$46,565**	**$8,800**	**$45,040**	**$45,040**	

Proposed Budget
FY2016 -17

	G/L Number	Approved Budget FY2015-16	Projected FY2015-16	Proposed Budget FY2016-17	Proposed Budget FY2016-17
7200 - Entrepreneur Center					
Advertising	7200-2330	$1,400	$1,000	$1,200	$1,200
Furnishings	7200-3161	$500	$350	$300	$300
Insurance	7200-2310	$550	$515	$515	$515
Janitorial	7200-2213	$2,000	$2,400	$2,100	$2,100
Legal	7200-2121	$1,000	$0	$1,000	$1,000
Memberships (NBIA)	7200-2361	$525	$525	$525	$525
Copier	7200-2233	$2,000	$1,800	$2,000	$2,000
Color Copies	7200-2232	$250	$100	$250	$250
Office Supplies	7200-3110	$300	$300	$300	$300
Rent	7200-2231	$30,000	$30,000	$30,000	$30,000
Services	----------	----------	----------	----------	----------
Alarm System	7200-2124	$444	$450	$530	$530
Pest Control	7200-2125	$480	$515	$540	$540
Outside Maintenance	7200-2220	$4,800	$3,100	$4,000	$4,000
Subscriptions	7200-3140	$50	$30	$50	$50
Travel	7200-2350	$2,000	$1,400	$2,200	$2,200
Utilities	----------	----------	----------	----------	----------
Electric	7200-3123	$4,800	$3,500	$4,700	$4,700
Water	7200-3121	$2,160	$1,200	$2,000	$2,000
Phone	7200-3154	$636	$800	$1,272	$1,272
Internet	7200-3155	$1,812	$1,700	$1,825	$1,825
Community Relations	7200-2500	$500	$300	$500	$500
Total Entrepreneur Center		**$56,207**	**$49,985**	**$55,807**	**$55,807**

Proposed Budget
FY2016 -17

	G/L Number	Approved Budget FY2015-16	Projected FY2015-16	Proposed Budget FY2016-17	Proposed Budget FY2016-17	
7300 - Business Attraction						
Adv. & Mrktg--Mrktg. of Prop	7300-2330	$10,000	$3,700	$10,000	$10,000	
Bus. Attraction Travel	7300-2350	$20,000	$2,100	$20,000	$20,000	
Software (Design/GIS Planning)	7300-2130	$8,000	$7,100	$8,000	$8,000	
HOTDA	7300-2132	$17,000	$17,000	$17,000	$17,000	
Incentive Fund	7300-2900	$100,000	$130	$100,000	$100,000	
Prospect Generation Services	7300-2133	$20,000	$11,000	$20,000	$20,000	
Site Consultant Outreach	7300-2134	$5,000	$0	$5,000	$5,000	
Team Texas--Nat. Mrktg.	7300-2360	$3,000	$3,000	$3,000	$3,000	
Texas One--Nat. Mrktg.	7300-2361	$1,000	$1,000	$1,000	$1,000	
Joint Image Campaign	7300-2331	$2,500	$3,000	$2,500	$2,500	
Total Business Attraction		**$186,500**	**$48,030**	**$186,500**	**$186,500**	

NOTE: Business Attraction activities were limited to servicing and maintaining existing projects due to the Executive Search.

7000 - General Administration:						
Bad Debt Expense	7000-7400	$1,000	$0	$1,000	$1,000	
Alarm System (Building)	7000-2124	$600	$600	$600	$600	
Financial Services	7000-2122	$20,000	$24,000	$25,000	$25,000	
Bank Services Charges	7000-7300	$3,000	$2,500	$2,800	$2,800	
Community Relations	7000-2500	$15,000	$9,000	$15,000	$15,000	
Consultant(s)	7000-2131	$26,000	$25,000	**$15,000**	**$15,000**	**Strategic Planning Svcs**
Copier--Color Copy Charges	7000-2232	$3,000	$1,200	$1,500	$1,500	
Copier Lease	7000-2233	$2,100	$2,300	$2,200	$2,200	
Furniture/Office Décor	7000-3161	$1,000	$500	$0	$0	
D & O Insurance	7000-2310	$2,000	$2,000	$2,003	$2,003	
General Liability Insurance	7000-2310	$2,600	$2,500	$2,500	$2,500	
Legal Fees	7000-2121	$10,000	$11,500	$10,000	$10,000	
Membership--Dues	----------	----------	----------	----------	----------	
AAF	7000-2361	$250	$250	$300	$300	pay in July
AUSA	7000-2362	$300	$150	$150	$150	pay in January (2)
CC Chamber	7000-2363	$250	$250	$250	$250	pay in August
ICSC	7000-2364	$250	$50	$100	$100	$50/person
IEDC	7000-2365	$900	$935	$950	$950	pay in October
Lion's Club	7000-2366	$600	$600	$600	$600	pay in August

Proposed Budget
FY2016 -17

	G/L Number	Approved Budget FY2015-16	Projected FY2015-16	Proposed Budget FY2016-17	Proposed Budget FY2016-17	
Rotary Club	7000-2367	$720	$320	$660	$660	
TEDC	7000-2368	$1,000	$500	$1,000	$1,000	$500/person
Office Equipment	7000-3160	$1,000	$0	$0	$0	
Office Supplies	7000-3110	$3,000	$2,500	$3,000	$3,000	
Postage/Shipping	7000-3111	$1,000	$100	$500	$500	
Postage Machine Lease	7000-3112	$1,000	$825	$1,000	$1,000	
Seminar/Training/Prof. Dev,	7000-2370	$6,000	$6,225	$15,000	$15,000	4 Directors
Subscriptions/Publications	7000-3140	$500	$230	$500	$500	
Technology Equipment/Svc	----------	----------	----------	----------	----------	
Internet Service Provider	7000-3155	$1,500	$1,400	$2,050	$2,050	
Maintenance/Service Calls	7000-2100	$5,000	$3,600	$5,000	$5,000	
Offsite Backup	7000-2101	$3,500	$3,300	$3,300	$3,300	
Website Hosting	7000-2102	$1,200	$700	$1,000	$1,000	
Telephone Billings	7000-3154	$6,000	$6,000	$6,000	$6,000	
Maintenance (Gateway Signs)	7000-2220	$0	$0	$5,000	$5,000	New
Total General Administration		**$95,270**	**$109,035**	**$123,963**	**$123,963**	
7400 - Digital Sign:						
Electric Billing	7400-3123	$2,500	$400	$250	$250	
Insurance	7400-2310	$4,200	$1,250	$1,250	$1,250	
Maintenance	7400-2220	$15,000	$0	$0	$0	
Total Digital Sign		**$21,700**	**$1,650**	**$1,500**	**$1,500**	
7500 - Building Services:						
Bldg. Improvements (Capital)	7500-4130	$1,000	$0	$1,000	$1,000	
Bldg. Maintenance (Non-Cap)	7500-2220	$12,000	$13,000	$12,000	$12,000	
Alarm	7500-2124	$0	$0	$600	$600	New
Pest Control	7500-2125	$0	$0	$650	$650	New
Janitorial Services (Contract)	7500-2213	$10,000	$9,500	$9,600	$9,600	
Supplies (Janitorial)	7500-3110	$250	$250	$250	$250	
Water/Sewer	7500-3121	$2,000	$1,500	$2,000	$2,000	
Electric	7500-3123	$8,000	$5,700	$8,000	$8,000	
Total Building Services		**$33,250**	**$29,950**	**$34,100**	**$34,100**	
TOTAL OPERATING EXPENDITURES		**$823,710**	**$497,835**	**$778,243**	**$778,243**	

Proposed Budget
FY2016 -17

	G/L Number	Approved Budget FY2015-16	Projected FY2015-16	Proposed Budget FY2016-17	Proposed Budget FY2016-17	
9000 - Debt Service:						
2001 Sales Tax Bond Note	9000-8101	$82,000	$82,000	$78,000	$78,000	
2012 Sales Tax Bond Note	9000-8102	$71,000	$71,000	$69,800	$69,800	
Reliever Route Committment	9000-8103	$130,000	$130,000	$131,000	$131,000	
Ave D Sidewalk City Contribution	9000-8104	$19,820	$0	$110,000	$88,700	
Gateway Sign Project Contribution	9000-8105	$35,877	$35,877	$0	$0	
Total Debt Services		**$338,697**	**$318,877**	**$388,800**	**$367,500**	
8001 - Five Hill--Retail Ctr (Phase II)						
Legal	8001-2121	$2,000	$0	$2,000	$2,000	
Survey/Engineering	8001-2130	$10,000	$0	$10,000	$10,000	
Site Survey	8001-2131	$5,000	$0	$5,000	$5,000	
Clean Up	8001-4010	$4,000	$4,200	$6,500	$6,500	3 times mowed
Total Five Hill - Retail Ctr (Phase II)		**$21,000**	**$4,200**	**$23,500**	**$23,500**	
8002 - Land Exchange						
Legal Fees	8002-2121	$25,000	$0	$25,000	$25,000	
Land Purchase	8002-4100	$1,675,000	$0	$2,000,000	$2,000,000	
Survey/Engineering	8002-2130	$200,000	$0	$300,000	$100,000	
Total Land Exchange		**$1,900,000**	**$0**	**$2,325,000**	**$2,125,000**	
8003 - The Narrows Bus. & Tech. Park						
Legal Fees	8003-2121	$8,000	$0	$8,000	$8,000	
Construction	8003-4000	$10,000	$13,500	$5,000	$5,000	
Electric Services Construction	8003-4001	$50,000	$0	$50,000	$0	
Survey / Engineering	8003-2130	$0	$0	$30,000	$30,000	New
Monuments / Construction	----------	$0	$0	$0	$0	
Monuments / Design	----------	$0	$0	$0	$0	
Monuments Electric	8003-3123	$0	$0	$650	$650	
Maintenance/Clean-up	8003-4010	$15,000	$5,400	$8,200	$8,200	3 times mowed
Total The Narrows Bus & Tech. Park		**$83,000**	**$18,900**	**$101,850**	**$51,850**	

Proposed Budget
FY2016 -17

	G/L Number	Approved Budget FY2015-16	Projected FY2015-16	Proposed Budget FY2016-17	Proposed Budget FY2016-17	
TOTAL PROJECT EXPENDITURES		**$2,004,000**	**$23,100**	**$2,450,350**	**$2,200,350**	
Operating Expenditures:		$1,162,407	$816,712	$1,167,043	$1,145,743	Including Debt Svc
Operating Reserve:				$200,000	$195,000	$1,145,743 - Debt Svc(/ 12 X 3)
***Project Expenditures:**		$2,004,000	$23,100	$2,450,350	$2,200,350	
Total Combined Expenditures:		$3,166,407	$839,812	$3,617,393	$3,346,093	

*There were no capital project expenditures, other than moving and platting.

Proposed Budget
FY2016 -17

G/L Number	Approved Budget FY2015-16	Projected FY2015-16	Proposed Budget FY2016-17	Proposed Budget FY2016-17