

MINUTES
NASSAU BAY ECONOMIC DEVELOPMENT CORPORATION
FEBRUARY 1, 2021
7:00 PM

MEMBERS OF THE CORPORATION PRESENT: President Bob Warters, John Mahon, Don Matter, Phil Johnson, Cindy Harreld-DeWease, and Tony Quezada

MEMBERS ABSENT: Bill Quinn (arrived 7:04pm)

OTHERS PRESENT: City Manager Jason Reynolds, Assistant City Manager Mary Chambers, City Secretary Sandra Ham, Finance Director Csilla Ludanyi and Planning Commission Chairman Roscoe Lee

PRESIDING: President Bob Warters

CALL TO ORDER AND ROLL CALL OF MEMBERS

The meeting was called to order at 7:00 p.m.

A quorum of the EDC was present with six Board Members in attendance.

APPROVAL OF MINUTES

The minutes of the meeting on October 26, 2020 were presented for approval.

It was moved by Board Member Cindy Harreld-DeWease, seconded by Board Member John Mahon, that the minutes be approved.

Motion passed 4 – 0 – 2, Board Members Phil Johnson and Don Matter abstaining.

CITIZENS' REQUEST FOR HEARING BEFORE THE ECONOMIC DEVELOPMENT CORPORATION

Public Hearing was opened at 7:02 p.m.

There being no one wishing to speak, the Public Hearing was immediately closed.

NEW BUSINESS

Board President Bob Warters (elected thereafter) noted the vacancy in the Economic Development Corporation Officer positions of President, Vice President, and Treasurer. The vacancies were created by the recent Mayoral election, as previous President Mark Denman was term-limited. Additionally, previous Vice President Bob Warters was elected Mayor and left the office of Vice President. Previous Treasurer Bryce Klug was term-limited. According to EDC Bylaws, an appointment was needed to keep the EDC Officer slate current.

It was moved by Board Member Don Matter, seconded by Board Member Phil Johnson, to nominate Bob Warters to the Officer position of President for the unexpired portion of the term of that office.

Motion passed 6 – 0.

Board Member Bill Quinn arrived at 7:04pm.

It was moved by Board Member Cindy Harreld-DeWease, seconded by Board Member Don Matter, to nominate John Mahon to the Officer position of Vice President for the unexpired portion of the term of that office.

Motion passed 7 – 0.

It was moved by Board Member John Mahon, seconded by Board Member Cindy Harreld-DeWease, to nominate Bill Quinn to the Officer position of Treasurer for the unexpired portion of the term of that office.

Motion passed 7 – 0.

Consider and take action on a resolution designating three signatories for banking transactions for EDC Accounts and providing for the approval and execution of any related documents

Finance Director Csilla Ludanyi indicated the EDC requires three signers for their accounts. As the EDC has a new President and board members, new authorized signers must be determined from among new members. A resolution is presented to provide the bank documentation designating three signatories for banking transactions for EDC Accounts.

It was moved by Board Member Phil Johnson, seconded by Board Member Don Matter, to approve the resolution designating Bob Warters, John Mahon, and Bill Quinn as signatories for banking transactions for EDC accounts.

Motion passed 7 – 0.

Consider and take action on approval of orders for payment to reimburse the City for invoices paid on behalf of the EDC

Finance Director Csilla Ludanyi discussed the expenditures listed below. In general, she indicated there were no abnormal expenses and all were budgeted. This reimbursement includes a tax incentive, BAHEP and BayTran memberships, holiday décor around the City, and street signs on NASA Parkway. The orders for payment also include a portion of the Nassau Bay Volunteer Fire Department generator.

Reimbursements to the City of Nassau Bay for FY21:

- a. Tax Incentive and Accrued Tax Incentive – \$4,379.76
- b. BAHEP AAC Billing – \$301.00
- c. BATH 2021 Annual Membership – \$2,500.00
- d. Sherrariums (Holiday Decorations) – \$22,566.25
- e. Southwest Signal Supply, Inc (Street Signs) – \$27,586.00
- f. Loftin Equipment Company, Inc. (Fire Department Generator) – \$54,148.00

TOTAL FY21 - \$111,481.01

Board Member Bill Quinn inquired on the \$11,200 allocated budget for holiday décor, specifically as the reimbursement is over the original budgeted amount. Ms. Ludanyi referenced the original contract, as additions to décor were made on the Christmas tree. The contract only includes purchase and installation on an annual basis.

It was moved by Board Member Bill Quinn, seconded by Board Member Phil Johnson, to approve the FY21 items for reimbursement.

Motion passed 7 – 0.

Consider and take action on approval of the December 31, 2020 Financial Statements

Finance Director Csilla Ludanyi provided an overview of the quarterly financial statements, which provides financial information from October 1, 2020 through December 31, 2020. She indicated the information presented may be slightly distorted, as October and November sales tax are always accrued back to the previous fiscal year to reflect the time of the sales. The report presented does include information on the sales tax receipts from January since those are available at the time of report preparation, but these amounts are not totaled into the report.

Finance Director Ludanyi detailed the expense register, overviewing the budgeted figures versus the funds expended of \$242,900. The EDC maintained a cash balance as of December 31, 2020 of \$667,906. The Corporation's budgeted anticipated year end cash position is \$222,000. She also noted as of December 31, 2021, the Corporation's investment portfolio to be at \$667,900.

Finance Director Ludanyi proceeded with historical sales tax information and current sales tax revenues. The current Sales Tax Revenue Report begins in December at \$24,500. January revenue is included on the report, but not included in the year-to-date totals. Based on historical trends, the EDC's budget projections are in line with collections. The Corporation's revenue is trending down compared to the previous year, specifically due to the COVID pandemic. At the beginning of 2020, there were strong sales tax collections, but revenue has varied widely in 2020. Ms. Ludanyi concluded her presentation with the Corporation's balance sheet and a detailed debit / credit report.

Board Member Bill Quinn inquired on the overage for the budgeted holiday lighting, specifically requesting information on other large deviations in the budget, including possible shortfalls to subsidize the overage. Finance Director Ludanyi indicated there were usually budget lines that do not expend all necessary funds, although each year varies. She indicated that typically the amount budgeted for tax incentives is not completely expended, as well as the undesignated projects line. She noted that the Corporation will be presented budget amendments for the holiday and street project budget lines that have overages.

It was moved by Board Member Bill Quinn, seconded by Board Member Cindy Harreld-DeWease, to approve the December 31, 2020 Financial Statements.

Motion passed 7 – 0.

EXECUTIVE (CLOSED) SESSION

Meeting recessed to Executive Session at 7:19 p.m. as authorized by Texas Government Code, Chapter 551, Open Meetings, Subchapter D, Exceptions to Requirement that Meeting be Open, with President Warters reading from the posted agenda the following topic to be discussed in Executive Session:

- 1. §551.087 Deliberations Regarding Economic Development Negotiations - Discussion of economic development options – 1354 NASA Parkway Unit J, Nassau Bay, Texas 77058.

Meeting returned to Open Session at 7:47 p.m.

ACTION ITEM(S) FROM EXECUTIVE SESSION(S)

Opened at 7:47pm

Resolution of the Board of Directors of the City of Nassau Bay, Texas Economic Development Corporation approving a project of the Corporation for the financial and other types of support as an incentive for local business promotion and expansion and the attraction of new business enterprises

It was moved by Board Member John Mahon, seconded by Board Member Phil Johnson, to table the resolution in order to establish further parameters for the program, with additional review of information on the business promotions and incentives.

Motion passed 7 – 0.

ADJOURNMENT

There being no further business, the meeting adjourned at 7:49 p.m.

Minutes approved as submitted and/or corrected this 3rd day of May 2021.

CITY OF NASSAU BAY, TEXAS
ECONOMIC DEVELOPMENT CORP.



Robert L. Warters
President

ATTEST:



Sandra V. Ham, City Secretary for
Cindy Harreld-DeWease
Board Secretary