

**MINUTES**  
**NASSAU BAY ECONOMIC DEVELOPMENT CORPORATION**  
**MAY 3, 2021**  
**5:00 PM**

**MEMBERS OF THE CORPORATION PRESENT:** President Bob Warters, Don Matter, Phil Johnson, Bill Quinn, and Cindy Harreld-DeWease

**MEMBERS ABSENT:** John Mahon and Tony Quezada

**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 5:01 p.m.

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

**APPROVAL OF MINUTES**

The minutes of the meeting on February 1, 2021 were presented for approval.

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

Motion passed 5 – 0.

**CITIZENS' REQUEST FOR HEARING BEFORE THE ECONOMIC DEVELOPMENT CORPORATION**

Public Hearing was opened at 5:02 p.m.

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

**NEW BUSINESS**

**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 for the second quarter of the Fiscal Year. This reimbursement includes costs related to the audit, legal fees, and the Chick-fil-A tax incentive.

The orders for payment also include a portion of the Nassau Bay Volunteer Fire Department generator. There were brief comments on the funding for the generator, and it was acknowledged the generator is already in service at the station.

**Reimbursements to the City of Nassau Bay for FY21:**

- a. Belt Harris Pechacek, LLLP – FY20 Audit - \$7,730
- b. Gregg & Gregg - \$712.50
- c. Fire Department Generator Project (misc.) - \$637.73
- d. Fire Department Generator Project (platform & install) - \$61,344.50
- e. Tax Incentive (Jan-April 2021) - \$4,113.88

**TOTAL FY21 - \$74,538.61**

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

Motion passed 5 – 0.

**Acceptance of Audited Financial Statements for Fiscal Year ended September 30, 2020**

Finance Director Csilla Ludanyi provided an overview of the Audited Financial Statements for Fiscal Year ended September 30, 2020. Finance Director Ludanyi provided Belt Harris Pechacek’s official audit opinion, which states:

“The financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and the major fund of the Corporation as of September 30, 2020, and the respective changes in financial position for the year then ended, in accordance with accounting principles generally accepted in the United States of America.”

The audit terminology of qualified opinion versus unqualified opinion is no longer in use.

Finance Director Ludanyi detailed the Corporation’s balance sheet, which reports the Corporation’s total liabilities and fund balance to be \$791,721. The Corporation’s current net change in fund balance for Fiscal Year ended September 30, 2020 is \$171,890, with a total ending fund balance of \$774,481. With such a large reserve, the Corporation had the financial ability to provide funding for the sand filter project.

It was moved by Board Member Bill Quinn, seconded by Board Member Phil Johnson, to accept the Audited Financial Statements for Fiscal Year ended September 30, 2020.

Motion passed 5 – 0.

**Approval of EDC’s draft Mid-Year Report to Council and authorization for said report to be prepared**

Finance Director Ludanyi indicated this report as a requirement of the EDC Bylaws. The report is required to cover the period of October 1, 2020 through March 31, 2021. Data was taken from the EDC minutes for this period and the report was drafted using last year’s Mid-Year Report as a reference. She indicated Attachment 1 addresses the makeup of the Corporation’s membership and Attachment 2 is the financial statement for the reporting period, through March 31st.

Ms. Ludanyi detailed the expense register through September 30, 2021. Total expenditures for the year were approximately \$360,000, and with the previously approved orders for payment, total expenditures were approximately \$429,000.

Finance Director Ludanyi described the Corporation's current investments, maintaining a portfolio of approximately \$529,000. She did note that the total expenditures will include a projected expenditure for the sand filter project, therefore, she anticipates the year end cash position to be \$236,106. A large portion of the Corporation's reserves were allocated to the sand filter project.

Ms. Ludanyi overviewed the EDC investments as of March 31, 2021. She also detailed the historical trends on sales tax, which is significant due to COVID. She indicated the revenue will likely plateau, as tax revenue remains in line with budget projections. Sales tax is budgeted conservatively. April's sales tax revenue number was very low, which is likely due to Winter Storm Uri.

Lastly, Ms. Ludanyi presented a year-to-date comparison as of March 31, 2021. She also provided a revenue and expense report and noted there were expenditures in the Streets & Curb Projects lines, as well as the Holiday Decorations line that need to be rectified. At the next EDC meeting, Finance Director Ludanyi will present a budget amendment for these line items.

It was moved by Board Member Don Matter, seconded by Board Member Phil Johnson, to approve the EDC's draft Mid-Year Report to Council and authorize the report to be prepared.

Motion passed 5 – 0.

**ADJOURNMENT**

There being no further business, the meeting adjourned at 5:14 p.m.

Minutes approved as submitted and/or corrected this 9th day of August 2021.

CITY OF NASSAU BAY, TEXAS  
ECONOMIC DEVELOPMENT CORP.



Robert L. Warters  
President

ATTEST:



Sandra V. Ham on behalf of  
Cindy Harreld-DeWease, Secretary