



**\*\*\* PUBLIC NOTICE \*\*\***

**NOTICE OF A CORINTH ECONOMIC DEVELOPMENT CORPORATION (CEDC)  
OF THE CITY OF CORINTH  
REGULAR SESSION**

**Monday, July 2, 2018, 6:00 P.M.  
City Hall  
Conference Room - Room 102  
3300 Corinth Parkway  
Corinth, Texas 76208**

**\* Pursuant to Texas Government Code Section 551.002, a quorum of the City Council of Corinth may attend the following meeting and may participate in discussion on the agenda items listed below, but will not take any action.**

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**CALL TO ORDER**

**CITIZENS COMMENTS**

In accordance with the Open Meetings Act, the Board is prohibited from acting on or discussing (other than factual responses to specific questions) any items brought before them at this time. Citizen's comments will be limited to 3 minutes. Comments about any of the published agenda items are appreciated by the Board and may be taken into consideration at this time or during that agenda item. \*All remarks and questions addressed to the Board shall be addressed to the Board as a whole and not to any individual member thereof.\* Section 30.041B Code of Ordinance of the City of Corinth.

**CONSENT AGENDA**

1. Consider and act on minutes from the June 11, 2018 meeting.
2. Consider and act on the Corinth Economic Development Corporation Financial Report for the period ending May 2018.

**BUSINESS AGENDA**

3. Consider and provide a recommendation to the City Council on the Requested Budget for the Corinth Economic Development Corporation for Fiscal Year 2018-2019.

4. Consider and act on bylaw amendments to sections 4.9 and 5.5 relative to Economic Development personnel, to be recommended to the City Council.

## REPORTS

5. Board Members
6. Executive Director

## EXECUTIVE SESSION

If, during the course of the meeting, any discussion of any item on the agenda should need to be held in executive or closed session for the Board to seek advice from the City Attorney as to the posted subject matter of this Board Meeting, the Board will convene in such executive or closed session, in accordance with the provisions of the Government Code, Title 5, Subchapter D Chapter 551, to consider one or more matters pursuant to the following:

**Section 551.071.** (1) Private consultation with its attorney to seek advice about pending or contemplated litigation; and/or settlement offer; (2) and/or a matter in which the duty of the attorney to the government body under the Texas Disciplinary Rules of Professional Conduct of the State of Texas clearly conflicts with chapter 551.

**Section 551.072.** To deliberate the purchase, exchange, lease or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person.

**Section 551.074.** To deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee.

**Section 551.087.** To deliberate or discuss regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or to deliberate the offer of a financial or other incentive to a business prospect.

After discussion of any matters in executive session, any final action or vote taken will be in public by the Board. The Board shall have the right at any time to seek legal advice in Executive Session from its Attorney on any agenda item, whether posted for Executive Session or not.

## RECONVENE IN OPEN SESSION TO TAKE ACTION, IF NECESSARY, ON EXECUTIVE SESSION ITEMS.

## ADJOURN

Posted this \_\_\_\_ day of \_\_\_\_\_, 2018 at \_\_\_\_ on the bulletin board at Corinth City Hall.

\_\_\_\_\_  
Jason Alexander, Economic Development Director  
City of Corinth, Texas

**EDC Regular Session**

**1.**

**Meeting Date:** 07/02/2018

**Title:**

**Submitted By:** Jason Alexander, Director

**Finance Review:** N/A

**Legal Review:** N/A

**City Manager Review:**

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**AGENDA ITEM**

Consider and act on minutes from the June 11, 2018 meeting.

**AGENDA ITEM SUMMARY/BACKGROUND**

The minutes from the June 11, 2018 meeting.

**RECOMMENDATION**

N/A.

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**Attachments**

June 11, 2018 Meeting Minutes

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**CORINTH ECONOMIC DEVELOPMENT CORPORATION**  
**June 11, 2018**

**STATE OF TEXAS**  
**COUNTY OF DENTON**  
**CITY OF CORINTH**

On this 11<sup>th</sup> day of June 2018 the Corinth Economic Development Corporation (CEDC) of the City of Corinth, Texas, met in Special Session at 6:00 P.M. at Corinth City Hall, located at 3300 Corinth Parkway, Corinth, Texas. The meeting date, time, place and purpose as required by Title 5, Subtitle A, Chapter 551, Subchapter C, Section 551.041, Government Code, with the following members, to wit:

**CEDC Board Members:**

Tina Henderson – President  
Grady Ray – Secretary  
Jerry Blazewicz – Vice President  
Brad Henson – Director  
David Burnett – Director  
Steve Holzwarth – Director

**CEDC Board Members Absent:**

Don Glockel – Director

**Others Present:**

Bob Hart – City Manager  
Melissa Cranford – City Attorney  
Jason Alexander – Executive Director  
Kim Pence – City Secretary

**CALL TO ORDER:**

President Tina Henderson called the meeting to order at 6:00 P.M.

**CITIZENS COMMENTS**

In accordance with the Open Meetings Act, the Board is prohibited from acting on or discussing (other than factual responses to specific questions) any items brought before them at this time. Citizen's comments will be limited to 3 minutes. Comments about any of the published agenda items are appreciated by the Board and may be taken into consideration at this time or during that agenda item. \*All remarks and questions addressed to the Board shall be addressed to the Board as a whole and not to any individual member thereof. \* Section 30.041B Code of Ordinance of the City of Corinth.

Tina Henderson recognized Brad Hinson, the newest board member of the Corinth Economic Development Corporation.

Brad Hinson introduced himself to the Board of Directors.

**CONSENT AGENDA:**

1. Consider and act on minutes from the May 7, 2018 meeting.
2. Consider and act on the Corinth Economic Development Corporation Financial Report for the period ending March 2018.
3. Consider and act on the Corinth Economic Development Corporation Financial Report for the period ending April 2018.

**CONSENT AGENDA APPROVED AS PRESENTED.**

**BUSINESS AGENDA:**

**1. Consider and act on the proposed amendments to the Corinth Economic Development Corporation Bylaws.**

Bob Hart, City Manager, presented the item to the Board. Hart explained that in a recent workshop with the City Council, that there were discussions about making recommendations to amend the Corinth Economic Development Corporation (CEDC) Bylaws to make it clearer with respect to the lines of authority within the City's operations so that the Economic Development Director would report to the City Manager in terms of internal chain of command. Hart said that the CEDC Board of Directors is appointed by the City Council, and is an advisory to the same; however, the CEDC has some independent authority as well. He said that the proposed language brought forward is language that is common with 4B Corporations around the State, which appoints the City Manager as the Executive Director, and the City Manager would then appoint a staff member to support the work of the Board.

David Burnett asked what would be different in the day-to-day operations with approval.

Hart said that the amendments would ensure smoother coordination and communication.

There was a general discussion on the reporting structure.

Melissa Cranford, City Attorney, requested that the Board of Directors, because of Attorney/Client privilege, go into Closed Session so that she could offer legal advice relative to that matter.

President Henderson recessed the meeting at 6:15 P.M. \* See Closed Session 551.071.

**The Board met from 6:15 p.m. until 7:28 p.m. under Section 551.071.**

**Reconvene in open session to take action, if necessary, on closed session items.**

President Henderson reconvened the meeting in Open Session at 7:28 P.M.

**MOTION** was made by David Burnett to table the proposed amendments to the Corinth Economic Development Corporation Bylaws.

Seconded by Grady Ray.

**AYES:** Ray, Blazewicz, Burnett, Henderson, Holzwarth, Hinson  
**NOES:** None  
**ABSENT:** Glockel  
**ABSTAIN:** None

**MOTION CARRIES**

**2. Discuss and provide staff direction on the Requested Budget for the Corinth Economic Development Corporation for Fiscal Year 2018-2019.**

Jason Alexander presented the recommended budget to City Council for Fiscal Year 2018-2019. Alexander explained that several of the line items stem from the forthcoming Strategic Plan. He asked the Board of Directors consider adding a position to assist with accomplishing the goals and objectives of the Strategic Plan.

Brad Hinson asked about the classification and function of such position. Alexander explained that the position would be comparable to a coordinator role and provide administrative support and technical assistance.

President Henderson where in the budget funding for the position would come from. Alexander said that it would come out of wages and benefits.

President Henderson noted that the cost allocation from the Economic Development Corporation Fund to the General Fund decreased from about \$83,000 this fiscal year to \$54,000 for next fiscal year.

Grady Ray asked if it was necessary to hire two different consultant firms to conduct a tax increment finance plan and a target industry analysis. Alexander responded that it may be best to hire two firms.

There was a general discussion on the consultants and the tasks they would perform.

President Henderson discussed the need for a marketing program. Alexander requested guidance from the Board of Directors on funding a program aimed at selecting a consultant to design and print marketing and other promotional materials. President Henderson said that it is an expense that needs to be added to the recommended budget after discussing some of the marketing strategies utilized at the International Council of Shopping Centers (ICSC) Conference in Las Vegas, Nevada. Alexander added that the marketing and promotional materials would include information on demographics, incentives and key development sites. President Henderson recommended that the Board of Directors add \$75,000.00 to the budget for marketing and promotional materials.

There was a general discussion on the marketing and promotional brochures.

**REPORTS AND UPDATES:**

**3. Board Members**

No reports given.

**4. Executive Director**

No reports given.

President Henderson recessed the meeting at 7:55 P.M. \* See Closed Session 551.087.

**The Board met from 7:55 p.m. until 8:23 p.m. under Section 551.087.**

**President Henderson reconvened in open session to take action, if necessary, on closed session items at 8:23 p.m.**

**No action taken from Closed Session.**

Tina Henderson, President reconvened the meeting in Open Session at 8:23 P.M.

## **CLOSED SESSION**

If, during the course of the meeting, any discussion of any item on the agenda should need to be held in executive or closed session for the Board to seek advice from the City Attorney as to the posted subject matter of this Board Meeting, the Board will convene in such executive or closed session, in accordance with the provisions of the Government Code, Title 5, Subchapter D Chapter 551, to consider one or more matters pursuant to the following:

**Section 551.071.** (1) Private consultation with its attorney to seek advice about pending or contemplated litigation; and/or settlement offer; (2) and/or a matter in which the duty of the attorney to the government body under the Texas Disciplinary Rules of Professional Conduct of the State of Texas clearly conflicts with chapter 551.

**A. Deliberations regarding a matter in which the duty of the attorney to the government body under the Texas Disciplinary Rules of Professional Conduct of the State of Texas clearly conflicts with Chapter 551 regarding the Executive Director.**

**Section 551.072.** To deliberate the purchase, exchange, lease or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person.

**Section 551.074.** To deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee.

**Section 551.087.** To deliberate or discuss regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or to deliberate the offer of a financial or other incentive to a business prospect.

**A. Deliberations regarding economic development incentives to a business prospect(s).**

## **ADJOURN:**

There being no further business, President Henderson adjourned the June 11, 2018 Special Session of the Corinth Economic Development Corporation at 8:23 P.M.

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Kimberly Pence – City Secretary  
Corinth Economic Development Corporation

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Tina Henderson – President  
Corinth Economic Development Corporation

**EDC Regular Session**

2.

**Meeting Date:** 07/02/2018

**Title:**

**Submitted By:** Jason Alexander, Director

**Finance Review:** N/A

**Legal Review:** N/A

**City Manager Review:**

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**AGENDA ITEM**

Consider and act on the Corinth Economic Development Corporation Financial Report for the period ending May 2018.

**AGENDA ITEM SUMMARY/BACKGROUND**

The financial report for the Corinth Economic Development Corporation for the period ending May 2018.

**RECOMMENDATION**

N/A.

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**Attachments**

May 2018 Financials for the Corinth Economic Development Corporation

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## City of Corinth

### Corinth Economic Development Corporation

Schedule of Revenues & Expenditures - Budget vs Actual (Unaudited)  
For the Period Ended May 2018

	Current Fiscal Year, 2017-2018					Prior Year
	Budget FY 2017-18	May 2018 Actual	Year-to- Date Actual	Y-T-D Variance	Y-T-D % of Budget	May-17 Y-T-D Actual
<b>RESOURCES</b>						
Sales Tax (.50¢)	\$ 713,398	\$ 83,165	\$ 391,167	(322,231)	54.8%	\$ 353,631
Interest Income	800	19	207	(593)	25.8%	500
Investment Income	18,000	4,359	28,942	10,942	160.8%	16,914
Miscellaneous Income	-	-	-	-	0.0%	-
Projective Incentive Default	-	-	-	-	0.0%	-
Transfers In	-	-	-	-	0.0%	-
<b>TOTAL ACTUAL RESOURCES</b>	<b>732,198</b>	<b>87,542</b>	<b>420,315</b>	<b>(311,883)</b>	<b>57.4%</b>	<b>371,046</b>
Use of Fund Balance	22,630	-	2,255		0.0%	-
<b>TOTAL RESOURCES</b>	<b>\$ 754,828</b>	<b>\$ 87,542</b>	<b>\$ 422,570</b>	<b>\$ (311,883)</b>	<b>56.0%</b>	<b>\$ 371,046</b>
<b>EXPENDITURES</b>						
Wages & Benefits	\$ 132,469	\$ 10,343	\$ 82,683	\$ (49,786)	62.4%	79,735
Professional Fees	80,562	548	8,486	(72,076)	10.5%	56,634
Maintenance & Operations	191,063	-	6,047	(185,016)	3.2%	3,884
Supplies	8,500	4,868	5,749	(2,751)	67.6%	-
Utilities & Communication	2,961	137	2,188	(773)	73.9%	1,539
Vehicles/Equipment & Fuel	-	-	-	-	0.0%	-
Training	30,348	3,052	8,491	(21,857)	28.0%	6,786
Capital Outlay	-	-	-	-	0.0%	-
Debt Service	-	-	-	-	0.0%	-
Transfers	308,925	-	308,925	-	100.0%	143,906
<b>TOTAL EXPENDITURES</b>	<b>754,828</b>	<b>18,948</b>	<b>422,570</b>	<b>(332,258)</b>	<b>56.0%</b>	<b>292,485</b>
<b>EXCESS/(DEFICIT)</b>	<b>\$ -</b>	<b>\$ 68,595</b>	<b>\$ -</b>	<b>\$ 20,375</b>		<b>\$ 78,561</b>

### KEY TRENDS

#### Resources

**Sales Tax** - As required by the Government Accounting Standards Board, sales tax is reported for the month it is collected by the vendor. May 2018 revenues are remitted to the City in July 2018. Sales Tax received in May represents March collections.

#### Expenditures

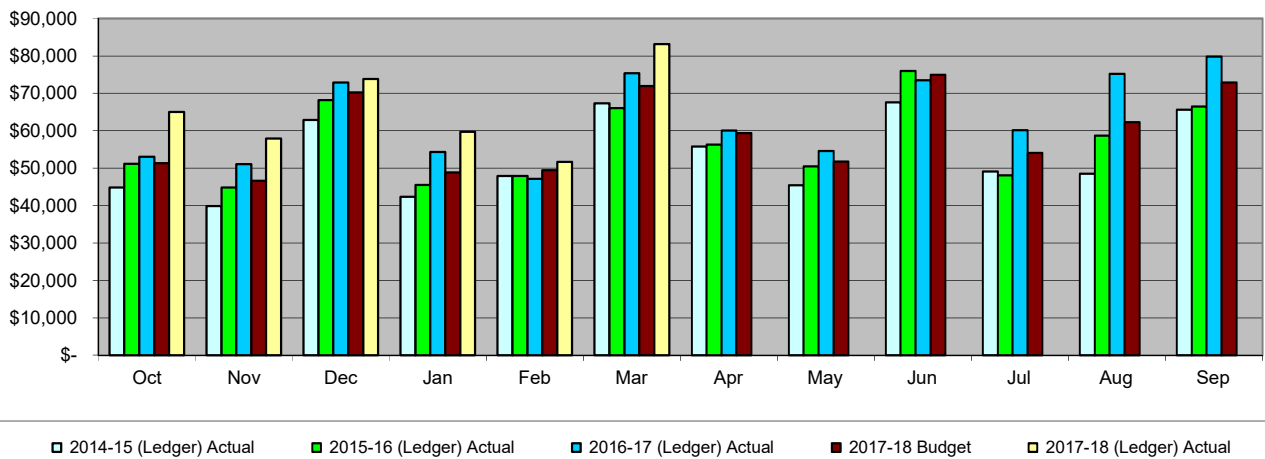
**Transfer Out** includes \$175,000 for the Lake Sharon Extension lighting, \$50,000 to the Park Development Fund and \$883 to the Tech Replacement Fund for the future purchases of computers and the \$83,042 cost allocation to the General Fund.



**Corinth Economic Development Corporation**  
**Economic Development Sales Tax**  
 PY Comparison and Variance Analysis

	2014-15 (Ledger) Actual	2015-16 (Ledger) Actual	2016-17 (Ledger) Actual	2017-18 Budget	2017-18 Cash Receipts	2017-18 (Ledger) Actual	Variance, Actual to Budget	Variance, Actual to Budget %	Variance, CY to PY	Variance, CY to PY %
Oct	\$ 44,779	\$ 51,148	\$ 52,974	\$ 51,269	\$ 75,148	\$ 65,029	\$ 13,759	26.8%	\$ 12,055	22.8%
Nov	39,840	44,827	51,070	46,615	79,781	57,889	11,274	24.2%	6,819	13.4%
Dec	62,897	68,160	72,833	70,230	65,029	73,790	3,560	5.1%	957	1.3%
Jan	42,350	45,500	54,300	48,802	57,889	59,659	10,857	22.2%	5,359	9.9%
Feb	47,853	47,909	47,147	49,452	73,790	51,635	2,182	4.4%	4,488	9.5%
Mar	67,295	66,022	75,308	71,902	59,659	83,165	11,264	15.7%	7,857	10.4%
Apr	55,712	56,230	60,003	59,340	51,635					
May	45,372	50,483	54,590	51,766	83,165					
Jun	67,547	75,989	73,472	74,907						
Jul	49,072	48,076	60,100	54,037						
Aug	48,521	58,630	75,148	62,254						
Sep	65,599	66,452	79,781	72,825						
<b>TOTAL</b>	<b>\$ 636,837</b>	<b>\$ 679,427</b>	<b>\$ 756,725</b>	<b>\$ 713,398</b>	<b>\$ 546,096</b>	<b>\$ 391,167</b>	<b>\$ 52,897</b>	<b>15.6%</b>	<b>\$ 37,535</b>	<b>10.6%</b>

**Monthly Collections Comparison**



**KEY TRENDS**

**Description**

The sales tax in Corinth is 8.25% for goods and services sold within the City's boundaries. The tax is collected by businesses making the sale and is remitted to the State Comptroller of Public Accounts on a monthly, and in some cases, quarterly basis. Of the 8.25%, the state retains 6.25% and distributes 1% to the City of Corinth, .25% to the Street Maintenance Sales Tax Fund, .25% to the Crime Control & Prevention District and .50% to the Economic Development Corporation. The State distributes tax proceeds to local entities within forty days following the period for which the tax is collected by businesses.

As required by the Government Accounting Standards Board, sales tax is reported for the month it is collected by the vendor. May 2018 revenues are remitted to the City in July 2018. Sales Tax received in May represents March collections.

**Analysis**

The EDC Sales Tax revenue reflects a year-to-date increase in collections compared to the budgeted amounts.

Revenues are deposited into the Economic Development Corporation Fund and must be used on behalf of the city in carrying out programs related to a wide variety of projects including public parks and business development (Tex.Rev.Civ.St. art 5190.6-the Development Corporation Act of 1979).

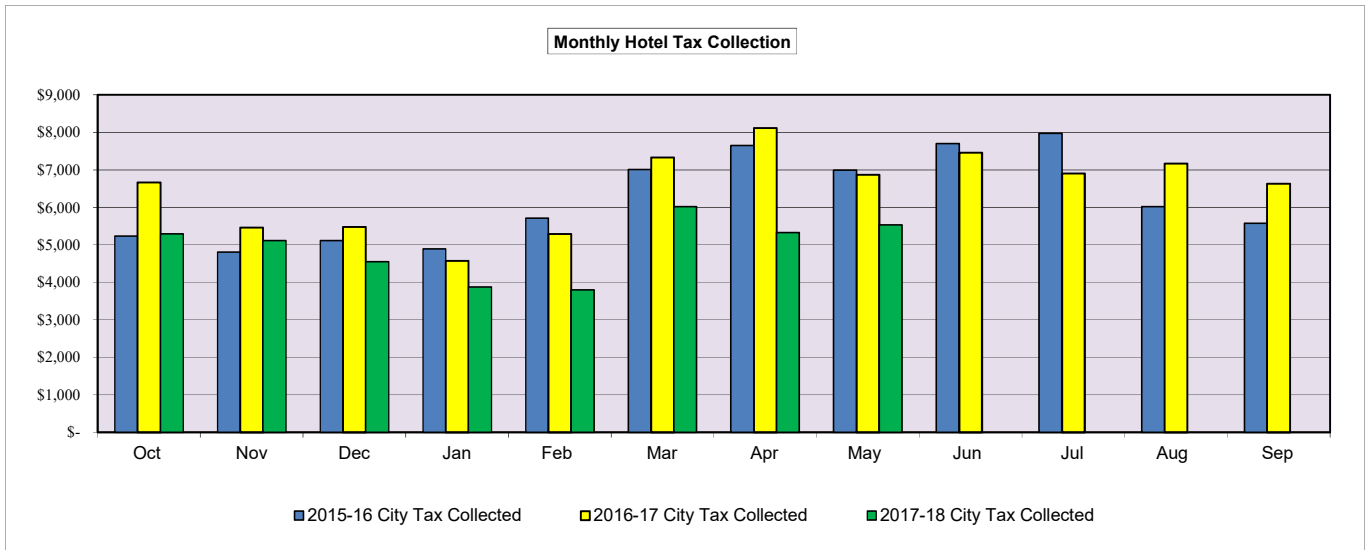


# Hotel Occupancy Tax Collection Report

## Comfort Inn & Suites

For the Period Ended May 2018

	Occupancy Rate	Total Gross Sales	Less Exemptions & Allowances	Total Taxable Revenues Reported	Taxable Revenues X 7%	Total City Tax Due	City Tax Collected FY 2017-18	Date Received	% Change CY to PY	City Tax Collected FY 2016-17	City Tax Collected FY 2015-16
Oct	53%	\$ 75,917	\$ 280	\$ 75,637	\$ 5,295	\$ 5,295	\$ 5,295	11/21/2016	-20.6%	\$ 6,667	\$ 5,230
Nov	66%	73,289	292	72,997	5,110	5,110	5,110	12/20/2017	-6.5%	5,463	4,802
Dec	53%	64,928	-	64,928	4,545	4,545	4,545	1/22/2018	-17.0%	5,477	5,115
Jan	49%	59,393	3,348	55,334	3,873	3,873	3,873	2/19/2018	-15.3%	4,572	4,891
Feb	47%	54,307	90	54,217	3,795	3,795	3,795	3/19/2018	-28.3%	5,291	5,712
Mar	59%	88,539	2,622	85,917	6,014	6,014	6,014	4/23/2018	-18.0%	7,333	7,003
Apr	53%	76,028	-	76,028	5,322	5,322	5,322	5/21/2018	-34.4%	8,113	7,647
May	55%	78,971		78,971	5,528	5,528	5,528	6/18/2018	-19.5%	6,869	6,991
Jun										7,459	7,699
Jul										6,900	7,973
Aug										7,164	6,018
Sep										6,631	5,573
<b>TOTALS</b>		\$ 571,373	\$ 6,632	\$ 564,030	\$ 39,482	\$ 39,482	\$ 39,482			\$ 77,940	\$ 74,653



### KEY TRENDS

#### Description

The City's Hotel Occupancy Tax is levied at 7% of room rental rates.

CITY OF CORINTH  
 REVENUE & EXPENSE REPORT (UNAUDITED)  
 AS OF: MAY 31ST, 2018

130-Economic Development Corp  
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 66.67

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	TOTAL ENCUMBERED	BUDGET BALANCE	% YTD BUDGET
REVENUE SUMMARY						
SALES TAXES	713,398	83,165.18	391,166.88	0.00	322,231.12	54.83
INTEREST INCOME	18,800	4,377.26	29,148.22	0.00 (	10,348.22)	155.04
MISCELLANEOUS	0	0.00	0.00	0.00	0.00	0.00
TRANSFERS	0	0.00	0.00	0.00	0.00	0.00
TOTAL REVENUES	732,198	87,542.44	420,315.10	0.00	311,882.90	57.40
EXPENDITURE SUMMARY						
ECONOMIC DEVELOPMENT	754,828	18,947.85	422,569.66	13,225.25	319,033.09	57.73
TOTAL EXPENDITURES	754,828	18,947.85	422,569.66	13,225.25	319,033.09	57.73
REVENUE OVER/ (UNDER) EXPENDITURES	( 22,630)	68,594.59 (	2,254.56) (	13,225.25) (	7,150.19)	68.40

CITY OF CORINTH  
 REVENUE & EXPENSE REPORT (UNAUDITED)  
 AS OF: MAY 31ST, 2018

130-Economic Development Corp

% OF YEAR COMPLETED: 66.67

REVENUES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	TOTAL ENCUMBERED	BUDGET BALANCE	% YTD BUDGET
<b>SALES TAXES</b>						
130-0000-40200 SALES TAX	713,398	83,165.18	391,166.88	0.00	322,231.12	54.83
TOTAL SALES TAXES	713,398	83,165.18	391,166.88	0.00	322,231.12	54.83
<b>INTEREST INCOME</b>						
130-0000-41400 INVESTMENT INCOME	18,000	4,358.74	28,941.71	0.00 (	10,941.71)	160.79
130-0000-41405 INVESTMENT GAIN/LOSS	0	0.00	0.00	0.00	0.00	0.00
130-0000-41410 INTEREST INCOME	800	18.52	206.51	0.00	593.49	25.81
TOTAL INTEREST INCOME	18,800	4,377.26	29,148.22	0.00 (	10,348.22)	155.04
<b>MISCELLANEOUS</b>						
130-0000-41500 MISCELLANEOUS INCOME	0	0.00	0.00	0.00	0.00	0.00
130-0000-41530 BUSINESS DIRECTORY ADVERT	0	0.00	0.00	0.00	0.00	0.00
130-0000-41536 PROJECT INCENTIVE DEFAULT	0	0.00	0.00	0.00	0.00	0.00
TOTAL MISCELLANEOUS	0	0.00	0.00	0.00	0.00	0.00
<b>TRANSFERS</b>						
130-0000-41820 TRANSFER IN	0	0.00	0.00	0.00	0.00	0.00
TOTAL TRANSFERS	0	0.00	0.00	0.00	0.00	0.00
<b>TOTAL REVENUE</b>	<b>732,198</b>	<b>87,542.44</b>	<b>420,315.10</b>	<b>0.00</b>	<b>311,882.90</b>	<b>57.40</b>

130-Economic Development Corp  
 DEPARTMENT - ECONOMIC DEVELOPMENT

% OF YEAR COMPLETED: 66.67

DEPARTMENTAL EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	TOTAL ENCUMBERED	BUDGET BALANCE	% YTD BUDGET
<b>WAGES &amp; BENEFITS</b>						
130-1700-50100 SALARIES	97,786	7,507.92	60,063.99	0.00	37,722.01	61.42
130-1700-50115 OVERTIME	0	0.00	0.00	0.00	0.00	0.00
130-1700-50201 EDUCATION PAY	0	0.00	0.00	0.00	0.00	0.00
130-1700-50203 LONGEVITY PAY	168	0.00	168.00	0.00	0.00	100.00
130-1700-50204 CAR ALLOWANCE	4,800	400.00	3,200.00	0.00	1,600.00	66.67
130-1700-50300 HEALTH INSURANCE	10,091	744.24	6,953.92	0.00	3,137.08	68.91
130-1700-50301 DENTAL INSURANCE	351	27.90	223.20	0.00	127.80	63.59
130-1700-50302 LIFE & DISABILITY INSURAN	404	30.29	238.76	0.00	165.24	59.10
130-1700-50303 BROKER FEES	208	16.46	135.35	0.00	72.65	65.07
130-1700-50304 PHS FEES	114	9.00	72.00	0.00	42.00	63.16
130-1700-50305 TMRS EMPLOYER	16,142	1,270.09	10,050.91	0.00	6,091.09	62.27
130-1700-50310 401A	390	30.00	255.00	0.00	135.00	65.38
130-1700-50315 FSA PREMIUMS	0	0.00	0.00	0.00	0.00	0.00
130-1700-50316 EAP	19	1.59	12.72	0.00	6.28	66.95
130-1700-50317 COBRA ADMINISTRATION FEE	7	0.00	0.00	0.00	7.00	0.00
130-1700-50320 WORKERS COMP	346	27.80	222.17	0.00	123.83	64.21
130-1700-50401 MEDICARE EMPLOYER	1,463	115.75	925.09	0.00	537.91	63.23
130-1700-50405 TEXAS EMPLOYMENT COMM.	180	162.00	162.00	0.00	18.00	90.00
130-1700-50410 FICA	0	0.00	0.00	0.00	0.00	0.00
TOTAL WAGES & BENEFITS	132,469	10,343.04	82,683.11	0.00	49,785.89	62.42
<b>PROF. SERV &amp; CONTRACTUAL</b>						
130-1700-51100 PROFESSIONAL SERVICES	61,700	0.00	2,950.00	0.00	58,750.00	4.78
130-1700-51101 CONTRACT LABOR	0	0.00	0.00	0.00	0.00	0.00
130-1700-51110 ENGINEERING FEES	0	0.00	0.00	0.00	0.00	0.00
130-1700-51145 AUDIT FEES	0	0.00	0.00	0.00	0.00	0.00
130-1700-51300 LEGAL FEES	17,200	396.00	4,318.00	12,882.00	0.00	100.00
130-1700-51400 P&L INSURANCE	1,662	152.27	1,218.16	0.00	443.84	73.29
TOTAL PROF. SERV & CONTRACTUAL	80,562	548.27	8,486.16	12,882.00	59,193.84	26.52
<b>MAINTENANCE &amp; OPERATIONS</b>						
130-1700-52000 ADVERTISING	7,500	0.00	2,247.07	0.00	5,252.93	29.96
130-1700-52002 POSTAGE	0	0.00	0.00	0.00	0.00	0.00
130-1700-52003 PRINTING	400	0.00	0.00	0.00	400.00	0.00
130-1700-52004 COPIER CHARGES	200	0.00	0.29	0.00	199.71	0.15
130-1700-52010 LATE PYMT/FINANCE FEES	0	0.00	0.00	0.00	0.00	0.00
130-1700-52030 EQUIPMENT RENTAL	0	0.00	205.95	343.25 (	549.20)	0.00
130-1700-52040 MAINTENANCE	0	0.00	0.00	0.00	0.00	0.00
130-1700-52210 BOARDS & COMMITTE EXPENSE	0	0.00	0.00	0.00	0.00	0.00
130-1700-52215 PROMOTIONAL FEES	18,673	0.00	2,000.00	0.00	16,673.00	10.71
130-1700-52230 PROJECT INCENTIVES	160,000	0.00	0.00	0.00	160,000.00	0.00
130-1700-52500 DUES & SUBSCRIPTIONS	4,290	0.00	1,594.00	0.00	2,696.00	37.16
130-1700-52800 HIRING COST	0	0.00	0.00	0.00	0.00	0.00
TOTAL MAINTENANCE & OPERATIONS	191,063	0.00	6,047.31	343.25	184,672.44	3.34

CITY OF CORINTH  
 REVENUE & EXPENSE REPORT (UNAUDITED)  
 AS OF: MAY 31ST, 2018

130-Economic Development Corp  
 DEPARTMENT - ECONOMIC DEVELOPMENT

% OF YEAR COMPLETED: 66.67

DEPARTMENTAL EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	TOTAL ENCUMBERED	BUDGET BALANCE	% YTD BUDGET
<b>SUPPLIES</b>						
130-1700-53001 OFFICE SUPPLIES	2,000	438.00	1,319.46	0.00	680.54	65.97
130-1700-53205 OFFICE EQUIPMENT	6,500	4,429.60	4,429.60	0.00	2,070.40	68.15
TOTAL SUPPLIES	8,500	4,867.60	5,749.06	0.00	2,750.94	67.64
<b>UTILITIES &amp; COMMUNICATION</b>						
130-1700-54100 TELEPHONE	156	6.15	42.80	0.00	113.20	27.44
130-1700-54104 WAN	0	5.74	5.74	0.00 (	5.74)	0.00
130-1700-54105 INTERNET	331	12.46	118.62	0.00	212.38	35.84
130-1700-54106 AIRCARD	504	37.99	206.94	0.00	297.06	41.06
130-1700-54107 COMPUTER LICENSING	1,070	0.00	1,213.97	0.00 (	143.97)	113.46
130-1700-54200 CELLPHONE	900	75.00	600.00	0.00	300.00	66.67
TOTAL UTILITIES & COMMUNICATION	2,961	137.34	2,188.07	0.00	772.93	73.90
<b>TRAVEL &amp; TRAINING</b>						
130-1700-56000 TRAINING	16,075	1,190.00	6,629.35	0.00	9,445.65	41.24
130-1700-56100 TRAVEL/MEALS/LODGING	13,500	1,861.60	1,861.60	0.00	11,638.40	13.79
130-1700-56200 MILEAGE	773	0.00	0.00	0.00	773.00	0.00
TOTAL TRAVEL & TRAINING	30,348	3,051.60	8,490.95	0.00	21,857.05	27.98
<b>CAPITAL OUTLAY</b>						
130-1700-57000 CAPITAL OUTLAY	0	0.00	0.00	0.00	0.00	0.00
TOTAL CAPITAL OUTLAY	0	0.00	0.00	0.00	0.00	0.00
<b>TRANSFERS &amp; COST ALLOC.</b>						
130-1700-59001 COST ALLOCATION OUT-GENER	83,042	0.00	83,042.00	0.00	0.00	100.00
130-1700-59010 COST ALLOCATION OUT-TECH	0	0.00	0.00	0.00	0.00	0.00
130-1700-59101 TRANSFER OUT	225,000	0.00	225,000.00	0.00	0.00	100.00
130-1700-59105 TRANSFER OUT - GENERAL FU	0	0.00	0.00	0.00	0.00	0.00
130-1700-59111 TRANSFER OUT - TECH REPLA	883	0.00	883.00	0.00	0.00	100.00
TOTAL TRANSFERS & COST ALLOC.	308,925	0.00	308,925.00	0.00	0.00	100.00
<b>TOTAL ECONOMIC DEVELOPMENT</b>						
	754,828	18,947.85	422,569.66	13,225.25	319,033.09	57.73
<b>TOTAL EXPENDITURES</b>						
	754,828	18,947.85	422,569.66	13,225.25	319,033.09	57.73
REVENUE OVER/ (UNDER) EXPENDITURES	( 22,630)	68,594.59 (	2,254.56) (	13,225.25) (	7,150.19)	68.40

**EDC Regular Session**

**3.**

**Meeting Date:** 07/02/2018  
**Title:** Requested Budget for Corinth Economic Development Corporation (Fiscal Year 2018-2019)  
**Submitted By:** Jason Alexander, Director  
**Finance Review:** N/A **Legal Review:** N/A  
**City Manager Review:**

**AGENDA ITEM**

Consider and provide a recommendation to the City Council on the Requested Budget for the Corinth Economic Development Corporation for Fiscal Year 2018-2019.

**AGENDA ITEM SUMMARY/BACKGROUND**

The Corinth Economic Development Corporation (CEDC) is responsible for preparing and recommending to the City Council for their consideration and action, an annual budget. For Fiscal Year 2018-2019, staff prepared a budget outlining the CEDC's priorities based on the discussions emerging from the Strategic Planning Sessions and traditional business retention, expansion and attraction efforts. The budget, as prepared and presented, is for the CEDC Board of Directors to provide staff with direction on the proposed budget to be presented to the City Council for their consideration and action.

As proposed, the revenue requested for Fiscal Year 2018-2019, as derived from the CEDC's portion of sales tax revenue, interest income and investment income is \$844,775.00. The proposed expenditures are \$681,432.00.00 for all activities and initiatives that the CEDC desires to undertake for the next fiscal year. This results in revenues over expenses of \$163,343.00. The major expenditures proposed for Fiscal Year 2018-2019 are as follows:

- An increase in the funding allotted to project incentives from \$160,000.00 to \$200,000.00 in support of the recent revisions to the Business Improvement Grant Program;
- Selecting a consultant or consultants to design and print marketing packages highlighting the community's economic competitiveness and strengths, demographics, catalyst properties and economic development incentives in the amount of \$75,000.00;
- Transferring funds to the Park Development Fund in the amount of \$50,000.00;
- Selecting a consultant to conduct a targeted industry analysis in an estimated amount of \$10,000.00 to \$20,000.00; **AND**
- Selecting a consultant to conduct a market analysis to determine the feasibility of a Tax Increment Reinvestment Zone (TIRZ) to enable and encourage development opportunities in various areas throughout Corinth in an estimated amount of \$12,000.00.

The budget also proposes minor expenditures of \$3,000.00 for Environmental Systems Research Institute (ESRI) a supplier of information for Geographic Information Systems (GIS) to receive demographic information necessary for retail recruitment efforts and \$1,500.00 for ZacTax, a software program providing sales tax data and analysis for Corinth.

**RECOMMENDATION**

N/A.

**Attachments**

Requested Budget (Fiscal Year 2018-2019)  
Cost Allocation Driver





CITY OF CORINTH  
ADOPTED BUDGET REPORT  
AS OF: JUNE 30TH, 2018

130-Economic Development Corp  
FINANCIAL SUMMARY

ACCT#	ACCOUNT NAME	2014-2015	2015-2016	2016-2017	2017-2018		2018-2019			ADOPTED BUDGET	
		ACTUAL	ACTUAL	ACTUAL	CURRENT BUDGET	Y-T-D ACTUAL	PROJECTED YEAR END	DEPARTMENT REQUESTED	MANAGER RECOMMENDED		COUNCIL RECOMMENDED
<u>REVENUE SUMMARY</u>											
	SALES TAXES	636,837	679,427	756,725	713,398	445,244	713,398	823,975	0	0	823,975
	INTEREST INCOME	11,026	18,128	29,498	18,800	29,148	18,800	20,800	0	0	20,800
	MISCELLANEOUS	0	0	63	0	0	0	0	0	0	0
	TRANSFERS	0	0	0	0	0	0	0	0	0	0
	*** TOTAL REVENUES ***	<u>647,863</u>	<u>697,555</u>	<u>786,287</u>	<u>732,198</u>	<u>474,393</u>	<u>732,198</u>	<u>844,775</u>	<u>0</u>	<u>0</u>	<u>844,775</u>
<u>EXPENDITURE SUMMARY</u>											
	ECONOMIC DEVELOPMENT	<u>327,325</u>	<u>604,413</u>	<u>364,742</u>	<u>754,828</u>	<u>438,740</u>	<u>754,828</u>	<u>681,432</u>	<u>0</u>	<u>0</u>	<u>681,432</u>
	*** TOTAL EXPENDITURES ***	<u>327,325</u>	<u>604,413</u>	<u>364,742</u>	<u>754,828</u>	<u>438,740</u>	<u>754,828</u>	<u>681,432</u>	<u>0</u>	<u>0</u>	<u>681,432</u>
	*** REVENUES OVER (UNDER) EXPENSES ***	<u>320,538</u>	<u>93,142</u>	<u>421,544</u>	<u>( 22,630)</u>	<u>35,653</u>	<u>( 22,630)</u>	<u>163,343</u>	<u>0</u>	<u>0</u>	<u>163,343</u>

CITY OF CORINTH  
ADOPTED BUDGET REPORT  
AS OF: JUNE 30TH, 2018

130-Economic Development Corp  
FINANCIAL SUMMARY

REVENUES	2014-2015	2015-2016	2016-2017	(----- 2017-2018 -----)		(----- 2018-2019 -----)				
	ACTUAL	ACTUAL	ACTUAL	CURRENT BUDGET	Y-T-D ACTUAL	PROJECTED YEAR END	DEPARTMENT REQUESTED	MANAGER RECOMMENDED	COUNCIL RECOMMENDED	ADOPTED BUDGET
<u>AD VALOREM TAXES</u>										
TOTAL AD VALOREM TAXES	0	0	0	0	0	0	0	0	0	0
<u>SALES TAXES</u>										
130-0000-40200 SALES TAX	636,837	679,427	756,725	713,398	445,244	713,398	823,975	0	0	823,975
TOTAL SALES TAXES	636,837	679,427	756,725	713,398	445,244	713,398	823,975	0	0	823,975
<u>HOTEL TAX</u>										
TOTAL HOTEL TAX	0	0	0	0	0	0	0	0	0	0
<u>FRANCHISE FEES</u>										
TOTAL FRANCHISE FEES	0	0	0	0	0	0	0	0	0	0
<u>ESCROW &amp; IMPACT FEES</u>										
TOTAL ESCROW & IMPACT FEES	0	0	0	0	0	0	0	0	0	0
<u>UTILITY FEES</u>										
TOTAL UTILITY FEES	0	0	0	0	0	0	0	0	0	0
<u>TRAFFIC FINES &amp; FORFEIT.</u>										
TOTAL TRAFFIC FINES & FORFEIT.	0	0	0	0	0	0	0	0	0	0
<u>DEVELOPMENT FEES &amp; PERMI</u>										
TOTAL DEVELOPMENT FEES & PERMI	0	0	0	0	0	0	0	0	0	0
<u>POLICE FEES &amp; PERMITS</u>										
TOTAL POLICE FEES & PERMITS	0	0	0	0	0	0	0	0	0	0
<u>PARKS &amp; RECREATION FEES</u>										
TOTAL PARKS & RECREATION FEES	0	0	0	0	0	0	0	0	0	0
<u>FIRE SERVICES</u>										
TOTAL FIRE SERVICES	0	0	0	0	0	0	0	0	0	0
<u>DONATIONS</u>										
TOTAL DONATIONS	0	0	0	0	0	0	0	0	0	0
<u>GRANTS</u>										
TOTAL GRANTS	0	0	0	0	0	0	0	0	0	0
<u>INTEREST INCOME</u>										
130-0000-41400 INVESTMENT INCOME	10,494	17,338	28,592	18,000	28,942	18,000	20,000	0	0	20,000
130-0000-41405 INVESTMENT GAIN/LOSS	0	0	0	0	0	0	0	0	0	0
130-0000-41410 INTEREST INCOME	532	790	907	800	207	800	800	0	0	800
TOTAL INTEREST INCOME	11,026	18,128	29,498	18,800	29,148	18,800	20,800	0	0	20,800

CITY OF CORINTH  
ADOPTED BUDGET REPORT  
AS OF: JUNE 30TH, 2018

130-Economic Development Corp  
FINANCIAL SUMMARY

REVENUES	2014-2015	2015-2016	2016-2017	(----- 2017-2018 -----)			(----- 2018-2019 -----)			
	ACTUAL	ACTUAL	ACTUAL	CURRENT BUDGET	Y-T-D ACTUAL	PROJECTED YEAR END	DEPARTMENT REQUESTED	MANAGER RECOMMENDED	COUNCIL RECOMMENDED	ADOPTED BUDGET
<u>MISCELLANEOUS</u>										
130-0000-41500 MISCELLANEOUS INCOME	0	0	63	0	0	0	0	0	0	0
130-0000-41530 BUSINESS DIRECTORY ADVERTISING	0	0	0	0	0	0	0	0	0	0
130-0000-41536 PROJECT INCENTIVE DEFAULT	0	0	0	0	0	0	0	0	0	0
TOTAL MISCELLANEOUS	0	0	63	0	0	0	0	0	0	0
<u>BOND PROCEEDS</u>										
TOTAL BOND PROCEEDS	0	0	0	0	0	0	0	0	0	0
<u>CHARGES FOR SERVICES</u>										
TOTAL CHARGES FOR SERVICES	0	0	0	0	0	0	0	0	0	0
<u>TRANSFERS</u>										
130-0000-41820 TRANSFER IN	0	0	0	0	0	0	0	0	0	0
TOTAL TRANSFERS	0	0	0	0	0	0	0	0	0	0
<u>DEVELOPER CONTRIBUTIONS</u>										
TOTAL DEVELOPER CONTRIBUTIONS	0	0	0	0	0	0	0	0	0	0
 TOTAL REVENUES	 647,863	 697,555	 786,287	 732,198	 474,393	 732,198	 844,775	 0	 0	 0





CITY OF CORINTH  
ADOPTED BUDGET REPORT  
AS OF: JUNE 30TH, 2018

130-Economic Development Corp  
ECONOMIC DEVELOPMENT

EXPENDITURES		2014-2015		2015-2016		2016-2017		(----- 2017-2018 -----)			(----- 2018-2019 -----)	
		ACTUAL	ACTUAL	ACTUAL	ACTUAL	CURRENT BUDGET	Y-T-D ACTUAL	PROJECTED YEAR END	DEPARTMENT REQUESTED	MANAGER RECOMMENDED	COUNCIL RECOMMENDED	ADOPTED BUDGET
COMPUTER LICENSING-DENTON CLOU	1	200.00	200.00									
COMPUTER LICENSING-FULL LICENS	1	222.00	222.00									
130-1700-54200 CELLPHONE		225	900	900	900	675	900	900	900	0	0	900
TOTAL UTILITIES & COMMUNICATION	1	900.00	900.00									
		1,928	2,791	3,088	3,532	2,957	2,961	2,278	0	0	2,278	
<u>TRAVEL &amp; TRAINING</u>												
130-1700-56000 TRAINING		3,045	2,383	3,928	16,075	6,629	16,075	16,075	0	0	16,075	
ICSC TEXAS DEALMAKING	1	350.00	350.00									
ICSC RECON EXHIBITION	1	3,000.00	3,000.00									
TEDC SPRING CONFERENCE	1	1,600.00	1,600.00									
SALES TAX TRAINING	1	1,825.00	1,825.00									
IEDC CERTIFICATION	1	5,000.00	5,000.00									
TEDC CONFERENCE	1	2,600.00	2,600.00									
IEDC ANNUAL CONFERENCE	1	1,700.00	1,700.00									
130-1700-56100 TRAVEL/MEALS/LODGING		6,583	3,102	5,434	13,500	2,374	13,500	13,770	0	0	13,770	
ICSC TEXAS DEALMAKING	1	1,020.00	1,020.00									
SALES TAX TRAINING	1	1,224.00	1,224.00									
TEDC SPRING CONFERENCE	1	2,040.00	2,040.00									
IEDC ANNUAL CONFERENCE	1	1,836.00	1,836.00									
TEDC CONFERENCE	1	2,040.00	2,040.00									
ICSC RECON EXHIBITION	1	5,610.00	5,610.00									
130-1700-56200 MILEAGE		1,397	0	677	773	0	773	788	0	0	788	
MILEAGE	1	788.00	788.00									
TOTAL TRAVEL & TRAINING		11,025	5,485	10,039	30,348	9,004	30,348	30,633	0	0	30,633	
<u>CAPITAL OUTLAY</u>												
130-1700-57000 CAPITAL OUTLAY		2,659	2,500	0	0	0	0	0	0	0	0	
TOTAL CAPITAL OUTLAY		2,659	2,500	0	0	0	0	0	0	0	0	
<u>TRANSFERS &amp; COST ALLOC.</u>												
130-1700-59001 COST ALLOCATION OUT-GENERAL FU		92,142	105,401	93,302	83,042	83,042	83,042	54,317	0	0	54,317	
COST ALLOCATION FROM EDC TO GE	1	54,317.00	54,317.00									
130-1700-59010 COST ALLOCATION OUT-TECH DEBT		0	0	0	0	0	0	0	0	0	0	
130-1700-59101 TRANSFER OUT		50,000	100,000	50,000	225,000	225,000	225,000	50,000	0	0	50,000	
EDC PARK DEVELOPMENT TRANSFER	1	50,000.00	50,000.00									
130-1700-59105 TRANSFER OUT - GENERAL FUND		0	0	0	0	0	0	0	0	0	0	
130-1700-59111 TRANSFER OUT - TECH REPLACEMENT		250	250	604	883	883	883	883	0	0	883	
TECH REPLACEMENT ALLOCATION FR	1	883.00	883.00									
TOTAL TRANSFERS & COST ALLOC.		142,392	205,651	143,906	308,925	308,925	308,925	105,200	0	0	105,200	
<hr/>												
TOTAL ECONOMIC DEVELOPMENT		327,325	604,413	364,742	754,828	438,740	754,828	681,432	0	0	681,432	
<hr/>												
TOTAL EXPENDITURES		327,325	604,413	364,742	754,828	438,740	754,828	681,432	0	0	681,432	
<hr/>												
*** REVENUES OVER (UNDER) EXPENSES ***		320,538	93,142	421,544	( 22,630)	35,653	( 22,630)	163,343	0	0	( 681,432)	

**ADMINISTRATIVE COST ALLOCATION ANALYSIS**

2018-2019 ALLOCATIONS TO GENERAL FUND			EDC to GF	
WAGES & OPERATIONAL EXPENSES	Cost Driver	Total Allocated Amount	% Allocated to EDC	Amount Allocated
City Administration	1	497,207	4.68%	23,281
Finance	3	698,961	1.13%	7,930
Human Resources	4	429,900	0.26%	1,118
Technology Services	6	652,119	1.28%	8,365
Tech Web Design/Maintenance			Preset Amt	5,000
GIS Support			Preset Amt	5,000
City Council	5	22,089	1.08%	239
City Hall Building Maintenance	13	126,916	2.67%	3,384
<b>TOTAL ALLOCATION</b>			<b>54,317</b>	

COST ALLOCATION DRIVERS (Based on FY2017-2018 Budget)	Total	EDC	% of Total
<b><u>1 - CITY ADMINISTRATION</u></b>			
CMO Director Reports	8.00	1	12.5%
Total Budget (less Transfers/Capital Outlay)	28,823,267	445,903	1.5%
Current CIP	4,700,000	-	0.0%
	33,523,275	445,904	4.68%
<b><u>3 - FINANCE</u></b>			
Total Budget (less Transfers/Capital Outlay)	28,823,267	445,903	1.55%
Current CIP	4,700,000	-	0.00%
Employee Turnover	29.00	-	0.00%
AP Transaction	4,313	129	2.99%
	33,527,609	446,032	1.13%
<b><u>4 - HUMAN RESOURCES</u></b>			
Employee	162.50	1	0.62%
Employee Turnover	29.00	-	0.00%
City Risk Factor/Premium	201,496	332	0.16%
	201,688	333	0.26%
<b><u>5 - COUNCIL</u></b>			
Employee	162.50	1.00	0.62%
Total Budget (less Transfers/Capital Outlay)	28,823,267	445,903	1.55%
	28,823,430	445,904	1.08%
<b><u>6 - TECH SERVICES</u></b>			
Work Orders	779	8	1.03%
AirCards	65	1	1.54%
	844	9	1.28%
<b><u>13 - CITY HALL BUILDING MAINTENANCE</u></b>			
City Hall Employees	37.50	1	2.67%
	37.50	1	2.67%



**EDC Regular Session**

4.

**Meeting Date:** 07/02/2018

**Title:** Corinth Economic Development Bylaws

**Submitted For:** Bob Hart, City Manager

**Submitted By:** Kim Pence, City Secretary

**Finance Review:** N/A

**Legal Review:** Yes

**City Manager Review: Approval:** Bob Hart, City Manager

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**AGENDA ITEM**

Consider and act on bylaw amendments to sections 4.9 and 5.5 relative to Economic Development personnel, to be recommended to the City Council.

**AGENDA ITEM SUMMARY/BACKGROUND**

The City Attorney, Melissa Cranford, prepared a revised amendment to Sections 4.9 and 5.5 based on the board feedback from the meeting held on June 11, 2018. The changes will align the bylaws with the City Charter and direction requested by the City Council. Following action by the board, the City Council will consider for final approval.

**RECOMMENDATION**

Recommend approval of the bylaw amendments.

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**Attachments**

EDC BYLAWS REDLINE

EDC BYLAWS CLEAN

EDC BYLAWS - 6-28-2018

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*Gateway to success*

## BYLAWS

### CORINTH ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS

### A TEXAS NON-PROFIT CORPORATION

## ARTICLE I

### PURPOSE AND POWERS

- 1.1 Purpose. These bylaws ("Bylaws") govern the affairs of the Corinth Economic Development Corporation (hereafter "the Corporation"), a Type B Corporation created for the purposes set forth in Article IV of its Articles of Incorporation, the same to be accomplished on behalf of and for the benefit of the City of Corinth, Texas, a Texas municipal corporation (the "City") as its duly constituted authority and instrumentality in accordance with the Development Corporation Act of 1979, Chapters 501 and 505 et seq. of the Texas Local Government Code as amended (collectively, the "Act"), and other applicable laws.
- 1.2 Powers. In the fulfillment of its corporate purpose, the Corporation shall be governed by the Act and Bylaws and shall have all the powers set forth and conferred in its Articles of Incorporation, in the Act, and in other applicable laws.

ARTICLE II

**OFFICES**

- 2.1 Principal Office. The principal office of the Corporation shall be in the City of Corinth, Denton County, Texas being 3300 Corinth Parkway, Corinth, Texas 76208.
- 2.2 Registered Office and Registered Agent. The Corporation shall have and continuously maintain in the State of Texas a registered office and a registered agent, whose office shall be identical with such registered office, as required by the Texas Non-Profit Corporation Act. The registered office may be, but need not be identical with the principal office of the corporation in the State of Texas, and the Board may change the address of the registered office from time to time.

ARTICLE III

**MEMBERS&STOCKHOLDERS**

- 3.1 The Corporation shall have no members or stockholders.

ARTICLE IV

**BOARD OF DIRECTORS**

- 4.1 Powers. Number and Term of Office:
- (a) The property and affairs of the Corporation shall be managed and controlled by the Board of Directors (hereafter "the Board"), and subject to the restrictions imposed by all applicable laws, the Articles of Incorporation, and these Bylaws, and the Board shall exercise all of the powers of the Corporation.

- (b) The Board shall consist of seven (7) Directors each of whom shall be appointed by the City Council of the City of Corinth (hereafter "City Council"), as provided in Article VII of the Articles of Incorporation.
- (c) Each member of the Board of Directors shall serve a two (2) year term, or until his/her successor is appointed, unless sooner removed or resigned. Each Director shall be eligible for reappointment. No Director shall serve more than two (2) consecutive terms excluding the initial term, if less than two (2) years. Any vacancy occurring on the Board shall be filled by appointment of the City Council, to hold office until the expiration of the term of the vacating member. Unless otherwise provided, terms shall begin on October 1st and expire on September 30<sup>th</sup>.
- (d) The Directors constituting the first Board shall be those Directors named in the Articles of Incorporation. The respective initial terms of the Board are set forth in the Articles of Incorporation. Thereafter, each successor member of the Board shall be appointed and serve for two (2) years, or until his or her successor is appointed as hereafter provided.
- (e) Any Director may be removed from the Board by the City Council at any time without cause.

4.2 Regular and Special Meetings. The Board shall hold its annual meeting at 6:00 PM on the first Monday of the month of June of each year and shall hold regular meetings at 6:00 PM on the first Monday of each month. The Directors shall hold their regular and special meetings at such place, or places within the City limits, as the Board may determine from time to time; provided, however, in the absence of any such determination by the Board, the meetings shall be held at the principal office of the Corporation as specified in Article II of these Bylaws. Special meetings of the Board shall be held whenever called by the President,

a majority of the Directors, the Mayor of the City, or a majority of the City Council. In addition to posting a meeting notice in accordance with these Bylaws, a copy of each such meeting notice shall be delivered to each Director not less than 72 hours before the time of the meeting. A meeting notice shall be deemed delivered to any Director when (i) deposited in the United States mail addressed to the Director at his or her address as it appears on the records of the Corporation, or (ii) sent by email to the Director at his or her email address as it appears on the records of the Corporation. A Director may waive such notice in writing at any time either before or after the time of the meeting and such notice shall be deemed waived by attendance.

4.3 Notice and Open Meetings Act. The Corporation shall be considered a "governmental body" within the meaning of the Texas Government Code, Sec. 551.001, and notice of each meeting and deliberation shall be given to the public in accordance with the provisions of the Texas Government Code, Chapter 551 (as amended).

4.4 Quorum and Voting. Four (4) Directors shall constitute a quorum for conducting official business of the Corporation. The act of a quorum of Directors shall constitute the act of the Board, and of the Corporation, unless law requires the act of a greater number. No Director may vote or attend by proxy. Directors must be present to vote at any meeting.

4.5 Attendance. Regular attendance is required at all meetings. Two (2) consecutive unexcused absences from regular scheduled meetings of the Board shall constitute cause for replacement of a Director. An unexcused absence is one not approved by the President.

4.6 Conduct of Business:

- (a) At the meetings of the Board, Roberts' Rules of Order shall be the guide by which business is conducted.
- (b) At all meetings of the Board, the President shall preside, and in the absence of the President, the Vice-President shall exercise the powers of the President; provided, however, in the absence of the President and Vice-President, the quorum may elect a

temporary President for such meeting.

- (c) The Secretary of the Corporation shall act as Secretary of all meetings of the Board, but in the absence of the Secretary, the presiding officer may appoint any person to act as Secretary of the meeting.

4.7 Sub-Committees of the Board. The Board may designate no more than three (3) Directors to constitute an official sub-committee of the Board to exercise such authority of the Board as may be specified in any resolution; however, any subcommittee shall function as a recommending body only. Only the Board may exercise final official action of the Corporation. The subcommittees may include external representation if deemed necessary by the Board. Each subcommittee shall keep regular minutes of the transactions of its meetings.

4.8 Compensation. Officers of the Corporation who are Directors of the Board shall not receive any salary or compensation for their services, except that they may be reimbursed for their actual and reasonable expenses incurred in the performance of their duties hereafter by the President, or the Vice-President in the case of reimbursement to the President. Other officers, who are not Directors of the Board, may be compensated as directed by the Board.

4.9 Personnel. The Corporation may establish full-time and/or part-time personnel positions to be filled by appointment by the City Manager. Personnel positions assigned to support the Board shall be reflected in the Annual Corporate Budget and approved as provided in these Bylaws.

## ARTICLE V

### OFFICERS

5.1 Titles and Terms of Office.

- (a) The officers of the Corporation shall consist of a President, a Vice-President, a Secretary, a Treasurer and any other officers as the Board may from time to time elect

or appoint. One person may hold more than one office, except the President shall not hold the office of the Secretary. Terms of officers shall be two (2) years, beginning October 1<sup>st</sup> or other appropriate date in the case of an initial partial year and ending September 30<sup>th</sup>.

- (b) The City Council of the City of Corinth shall recommend to the Board the person to serve as President. All officers shall be elected by and subject to removal from office at the will of and at any time by a vote of a majority of the Board.

5.2 President. The President shall be a Director of the Board and shall have the following authority:

- (a) Shall preside over all meetings of the Board;
- (b) Shall have the power to vote on all matters coming before the Board;
- (c) Shall have the authority, upon notice to the members of the Board, to call a Special Meeting of the Board when in his or her judgment such a meeting is required;
- (d) Shall have the authority to appoint, with Board approval, sub-committees to aid and assist the Board in its business undertakings or other matters incident to the operation and functions of the Board; and
- (e) Shall sign and execute all contracts and other legal documents in the name of the Corporation as approved by the Board.

5.3 Vice-President. The Vice-President shall be a Director of the Board and shall exercise the powers of the President during the President's absence, refusal or inability to act. Any action taken by the Vice-President in the performance of the duties of the President shall be conclusive evidence of the President's absence, inability or refusal to act at the time such action was taken.

5.4 Treasurer. The Treasurer need not be a Director of the Board. The Treasurer may be an employee of the City's Finance Department and shall have the responsibility to monitor the

handling, custody and security of all funds and securities of the Corporation in accordance with these Bylaws and the statutes governing the Corporation formed under the Act. The Treasurer shall oversee the books of the Corporation and the full and accurate accounting of all monies received by and paid on behalf of the Corporation. The Treasurer shall, at the expense of the Corporation, give such bond for faithful discharge of his/her duties in such form as the Board may require.

- 5.5 Executive Director. The Executive Director is a compensated employee of the City. A current or former Board Director shall not be eligible to serve as Executive Director while serving on the Board and for a year after leaving the Board. The Executive Director shall report to the City Manager for all daily operations and implementation of Board policies and resolutions. The Executive Director or a representative of the City's management as designated by the City Manager shall attend all Board meetings.
- 5.6 Secretary. The Secretary shall be a Director of the Board and may sign with the President upon the approval of the Board in the name of the Corporation, and/or attest to the signature thereto, all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments, except the papers as the Board may direct, all of which shall at all reasonable times be open to public inspection upon application at the office of the Corporation during business hours; and shall in general perform all duties incidental to the office of Secretary subject to the control of the Board. The Secretary shall maintain the minutes of all meetings of the Board in books provided for that purpose and shall give and serve all notices.
- 5.7 Election of Officers. The President, Vice-President and Secretary shall be elected from among the Directors of the Board. The Treasurer may be an employee of the City, appointed by the Finance Director of the City of Corinth ("Finance Director") to oversee the finances of the Corporation.

## ARTICLE VI



**FUNCTIONAL CORPORATE DUTIES AND  
REQUIREMENTS**

- 6.1 Annual Report. The Executive Director shall prepare an annual report on or before April 1<sup>st</sup> of each year for City Council, outlining the accomplishments and activities of the Corporation for the previous fiscal year.
- 6.2 Annual Corporate Budget. On or before July 20th of each year, the Board shall adopt a proposed budget of expected revenues and proposed expenditures of the next ensuing fiscal year. The budget shall not be effective nor shall expenditures occur until the same has been approved by the City Council.
- 6.3 Books, Records and Audits.
- (a) The Corporation shall keep and properly maintain, in accordance with generally accepted accounting principles, complete books, records, accounts and financial statements pertaining to its corporate funds, activities and affairs. Notwithstanding any provision in Section 5.04, the Corporation may maintain any financial records solely at City Hall.
  - (b) The books, records, accounts and financial statements of the Corporation shall be audited at least once each fiscal year by the Finance Director or an outside, independent auditing and accounting firm approved by the Finance Director.
- 6.4 Deposit and Investment of Corporate Funds.
- (a) All proceeds from the issuance of bonds, notes, or other debt instruments ("Obligations") issued by the Corporation shall be deposited and invested as provided in any resolution, order, indenture, or other documents authorizing or relating to any such issuance.
  - (b) All other monies of the Corporation shall be deposited, secured and/or invested in the manner provided for the deposit, security and/or investment of the public funds of the

City. The Board shall designate authorized signatures on all payment authorization and/or check requests. The reconciliation of accounts and investment of funds may be reviewed by the City, at the City's expense.

6.5 Expenditures of Corporate Money. The monies of the Corporation, including but not limited to, sales and use taxes collected pursuant to the Act, monies derived from the repayment of loans, rents received from the lease or use of property, proceeds from the investment of funds of the Corporation, proceeds from the sale of property, and proceeds derived from the sale of Obligations, may be expended by the Corporation for any purposes authorized by the Act, subject to the following limitations:

- (a) Expenditures from the proceeds of Obligations shall be identified and described in the orders, resolutions, indentures or other agreements submitted to and approved by the City Council prior to the sale and delivery of the Obligations to the purchasers thereof.
- (b) Expenditures that may be made from a fund created with the proceeds of Obligations, and expenditures of monies derived from sources other than the proceeds of Obligations may be used for the purposes of financing or otherwise providing one or more "Projects," as defined in the Act. The specific expenditures shall be described in a resolution or order of the Board and shall be made only after the approval thereof by the City Council.
- (c) Except as otherwise set forth in Section 6.05, or a project for which a public hearing is not required by the Act, two (2) separate public hearings shall be held prior to the approval of any proposed specific project. One (1) shall be held by the Board and one (1) shall be held by the City Council.
- (d) All proposed expenditures shall be made in accordance with, and shall be set forth, in the annual budget required in Section 6.02 of this Article.

- (e) For any specific project costing \$25,000.00 or less, the Board may approve, and begin making expenditures 60 days subsequent to the Board's public hearing required by Section 6.05(c). The City Council is not required to conduct a public hearing for any project costing \$25,000.00 or less, or for any project for which a public hearing is not required by the Act.
- 6.6 Issuance of Obligations. No Obligations, including refunding Obligations, shall be sold and delivered by the Corporation unless the City Council adopts a resolution, not earlier than the 60th day before the date the Obligations are delivered, specifically approving the Corporation's resolution providing for the issuance of such Obligations.
- 6.7 Conflict of interest. The procedures of the Texas Local Government Code, Chapter 171, shall apply to conflicts of interest by Board Directors who shall be considered local public officials for purposes of these Bylaws. If a Director has a substantial interest in any business entity or real property, which is subject of deliberation by the Board, the Director shall file an affidavit with the Secretary of the Corporation stating the nature and extent of the interest. Such affidavit shall be filed prior to any vote or decision upon the matter of the Board, and the interested Director shall abstain from any vote, decision or discussion upon the matter.
- 6.8 Gifts. The Board may accept on behalf of the Corporation, any contribution, gift, bequest, or devise for the general purposes or for any special purposes of the Corporation.
- 6.9 Contracts for Service. All contracts of the Corporation must be approved by the City Council before the contract is executed by the officers of the Corporation. After a contract is approved by the City Council, expenditures made in accordance with the terms of that contract do not require additional City Council approval. Other expenditures of the Corporation require City Council approval before the expenditure is made.

ARTICLE VII

**MISCELLANEOUS PROVISIONS**

- 7.1 Fiscal Year. The fiscal year of the Corporation shall be the same as the fiscal year of the City.
- 7.2 Seal. The Board of Directors shall have the option of electing to use a corporate seal which shall be in a form and may contain inscription as the Board may determine. The absence of a corporate seal shall not vitiate any record, document or act of the Board.
- 7.3 Resignations. Any Director or officer may resign at any time. Such resignations shall be made in writing and shall take effect at the time specified therein, or, if no time is specified, at the time of its receipt by the President or Secretary.
- 7.4 Approval or Advice and Consent by City Council. To the extent that these Bylaws refer to any approval by the City Council or refer to advice and consent by the City Council, such advice and consent shall be evidenced by a certified copy of a resolution, order or motion duly adopted by City Council.
- 7.5 Services of City Staff and Officers. The Corporation may utilize the services of the City personnel for usual and routine matters, provided that the performance of such service does not materially interfere with the other duties of such personnel of the City. Subject to approval of the City Manager or the City Council, the Corporation may utilize the services of City personnel for unusual and non-routine matters. The Corporation shall pay reasonable compensation to the City for such services or use of any City personnel.
- 7.6 Indemnification of Directors, Officers and Employees.
- (a) As provided in the Act and in the Articles of Incorporation, the Corporation is, for the purposes of the Texas Tort Claims Act (Subchapter A, Chapter 101), Texas Civil Practices and Remedies Code, a governmental unit, and its actions are governmental functions.
  - (b) The Corporation shall indemnify each Director of the Board, its officers, its employees, its attorneys, each member of City Council and each member of the

City, to the fullest extent permitted by the Act against all liability or expense, including but not limited to attorneys' fees incurred by any of such persons by reason of any actions or omissions that may arise out of the functions and activities of the Corporation.

- (c) The Corporation may purchase and maintain insurance on behalf of any Board Director, officer, employee or agent of the Corporation, or on behalf of any person serving at the request of the Corporation as a Board Director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against that person and incurred by that person in any such capacity or arising out of any such status with regard to the Corporation, whether or not the Corporation has the power to indemnify that person against liability for any of those acts.
- (d) Any indemnification or liability insurance provided under this Section may be obtained through the City's general insurance coverage.

7.7 Legal Construction. These Bylaws shall be construed in accordance with the laws of the State of Texas. All references in these Bylaws to statutes, regulations, or other sources of legal authority shall refer to the authorities cited, or their successors, as they may be amended from time to time. The provisions of the Act applicable to corporations governed under the Act are incorporated within these Bylaws as amended. In the event of any conflict between the applicable provisions of the Act and these Bylaws, then the provisions of the Act shall control.

7.8 Severability. If any provision or section of these Bylaws is held to be invalid, illegal or unenforceable in any respect, the invalidity, illegality or unenforceability shall not affect any other provision, and the Bylaws shall be construed as if the invalid, illegal, or unenforceable provision had not been included in the Bylaws.

7.9 Parties Bound. The Bylaws shall be binding upon and inure to the benefit of the Directors, officers and agents of the Corporation and their respective heirs, executors, administrators, legal representatives, successors and assigns, except as otherwise provided herein.

7.10 Applicability of City Charter, Policies and Procedures. The City Charter and all duly approved City policies and procedures shall apply directly to the Corporation and the Board unless such charters, policies or procedures are superseded by state law or are not related to the functions of the Board. The Board has the discretion, subject to the approval of the City Council, to adopt other policies and procedures in addition to or in place of these policies and procedures of the City.

ARTICLE VIII

**EFFECTIVE DATE, AMENDMENTS**

8.1 Effective Date. These Bylaws shall become effective upon the occurrence of all of the following events:

- (a) The adoption of these Bylaws by the Board; and
- (b) The approval and adoption of these Bylaws by the City Council

8.2 Amendments to Articles of Incorporation and Bylaws. These Bylaws may be amended or repealed, and amended Bylaws may be adopted by either:

- (a) An affirmative vote of at least four (4) Board Directors present at any regular meeting or any special meeting, if at least three (3) days written notice is given of an intention to amend or repeal the Bylaws or to adopt new Bylaws at such meeting. Any such amendment of the Bylaws will be effective upon approval by the City Council; or
- (b) The City Council, in its sole discretion.

Amended this the \_\_\_ day of \_\_\_\_\_, 2018

\_\_\_\_\_  
Sam Burke  
President of the Board of Directors

Attest:

\_\_\_\_\_  
James Alexander  
Executive Director

Approved by the City Council of the City of Corinth, Texas on this \_\_\_\_ day of \_\_\_\_\_ 2018:

\_\_\_\_\_  
Bill Heidemann  
Mayor





*Gateway to success*

## BYLAWS

### CORINTH ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS

### **A TEXAS NON-PROFIT CORPORATION**

## ARTICLE I

### **PURPOSE AND POWERS**

- 1.1 Purpose. These bylaws ("Bylaws") govern the affairs of the Corinth Economic Development Corporation (hereafter "the Corporation"), a Type B Corporation created for the purposes set forth in Article IV of its Articles of Incorporation, the same to be accomplished on behalf of and for the benefit of the City of Corinth, Texas, a Texas municipal corporation (the "City") as its duly constituted authority and instrumentality in accordance with the Development Corporation Act of 1979, Chapters 501 and 505 et seq. of the Texas Local Government Code as amended (collectively, the "Act"), and other applicable laws.
- 1.2 Powers. In the fulfillment of its corporate purpose, the Corporation shall be governed by the Act and Bylaws and shall have all the powers set forth and conferred in its Articles of Incorporation, in the Act, and in other applicable laws.

ARTICLE II

**OFFICES**

- 2.1 Principal Office. The principal office of the Corporation shall be in the City of Corinth, Denton County, Texas being 3300 Corinth Parkway, Corinth, Texas 76208.
- 2.2 Registered Office and Registered Agent. The Corporation shall have and continuously maintain in the State of Texas a registered office and a registered agent, whose office shall be identical with such registered office, as required by the Texas Non-Profit Corporation Act. The registered office may be, but need not be identical with the principal office of the corporation in the State of Texas, and the Board may change the address of the registered office from time to time.

ARTICLE III

**MEMBERS&STOCKHOLDERS**

- 3.1 The Corporation shall have no members or stockholders.

ARTICLE IV

**BOARD OF DIRECTORS**

- 4.1 Powers. Number and Term of Office:
- (a) The property and affairs of the Corporation shall be managed and controlled by the Board of Directors (hereafter "the Board"), and subject to the restrictions imposed by all applicable laws, the Articles of Incorporation, and these Bylaws, and the Board shall exercise all of the powers of the Corporation.

- (b) The Board shall consist of seven (7) Directors each of whom shall be appointed by the City Council of the City of Corinth (hereafter "City Council"), as provided in Article VII of the Articles of Incorporation.
- (c) Each member of the Board of Directors shall serve a two (2) year term, or until his/her successor is appointed, unless sooner removed or resigned. Each Director shall be eligible for reappointment. No Director shall serve more than two (2) consecutive terms excluding the initial term, if less than two (2) years. Any vacancy occurring on the Board shall be filled by appointment of the City Council, to hold office until the expiration of the term of the vacating member. Unless otherwise provided, terms shall begin on October 1st and expire on September 30<sup>th</sup>.
- (d) The Directors constituting the first Board shall be those Directors named in the Articles of Incorporation. The respective initial terms of the Board are set forth in the Articles of Incorporation. Thereafter, each successor member of the Board shall be appointed and serve for two (2) years, or until his or her successor is appointed as hereafter provided.
- (e) Any Director may be removed from the Board by the City Council at any time without cause.

4.2 Regular and Special Meetings. The Board shall hold its annual meeting at 6:00 PM on the first Monday of the month of June of each year and shall hold regular meetings at 6:00 PM on the first Monday of each month. The Directors shall hold their regular and special meetings at such place, or places within the City limits, as the Board may determine from time to time; provided, however, in the absence of any such determination by the Board, the meetings shall be held at the principal office of the Corporation as specified in Article II of these Bylaws. Special meetings of the Board shall be held whenever called by the President,

a majority of the Directors, the Mayor of the City, or a majority of the City Council. In addition to posting a meeting notice in accordance with these Bylaws, a copy of each such meeting notice shall be delivered to each Director not less than 72 hours before the time of the meeting. A meeting notice shall be deemed delivered to any Director when (i) deposited in the United States mail addressed to the Director at his or her address as it appears on the records of the Corporation, or (ii) sent by email to the Director at his or her email address as it appears on the records of the Corporation. A Director may waive such notice in writing at any time either before or after the time of the meeting and such notice shall be deemed waived by attendance.

4.3 Notice and Open Meetings Act. The Corporation shall be considered a "governmental body" within the meaning of the Texas Government Code, Sec. 551.001, and notice of each meeting and deliberation shall be given to the public in accordance with the provisions of the Texas Government Code, Chapter 551 (as amended).

4.4 Quorum and Voting. Four (4) Directors shall constitute a quorum for conducting official business of the Corporation. The act of a quorum of Directors shall constitute the act of the Board, and of the Corporation, unless law requires the act of a greater number. No Director may vote or attend by proxy. Directors must be present to vote at any meeting.

4.5 Attendance. Regular attendance is required at all meetings. Two (2) consecutive unexcused absences from regular scheduled meetings of the Board shall constitute cause for replacement of a Director. An unexcused absence is one not approved by the President.

4.6 Conduct of Business:

- (a) At the meetings of the Board, Roberts' Rules of Order shall be the guide by which business is conducted.
- (b) At all meetings of the Board, the President shall preside, and in the absence of the President, the Vice-President shall exercise the powers of the President; provided, however, in the absence of the President and Vice-President, the quorum may elect a temporary President for such meeting.

- (c) The Secretary of the Corporation shall act as Secretary of all meetings of the Board, but in the absence of the Secretary, the presiding officer may appoint any person to act as Secretary of the meeting.
  
- 4.7 Sub-Committees of the Board. The Board may designate no more than three (3) Directors to constitute an official sub-committee of the Board to exercise such authority of the Board as may be specified in any resolution; however, any subcommittee shall function as a recommending body only. Only the Board may exercise final official action of the Corporation. The subcommittees may include external representation if deemed necessary by the Board. Each subcommittee shall keep regular minutes of the transactions of its meetings.
  
- 4.8 Compensation. Officers of the Corporation who are Directors of the Board shall not receive any salary or compensation for their services, except that they may be reimbursed for their actual and reasonable expenses incurred in the performance of their duties hereafter by the President, or the Vice-President in the case of reimbursement to the President. Other officers, who are not Directors of the Board, may be compensated as directed by the Board.
  
- 4.9 Personnel. The Corporation may establish full-time and/or part-time personnel positions to be filled by appointment by the City Manager. Personnel positions assigned to support the Board shall be reflected in the Annual Corporate Budget and approved as provided in these Bylaws.

ARTICLE V

**OFFICERS**

5.1 Titles and Terms of Office.

- (a) The officers of the Corporation shall consist of a President, a Vice-President, a Secretary, a Treasurer and any other officers as the Board may from time to time elect or appoint. One person may hold more than one office, except the President shall not

hold the office of the Secretary. Terms of officers shall be two (2) years, beginning October 1<sup>st</sup> or other appropriate date in the case of an initial partial year and ending September 30<sup>th</sup>.

- (b) The City Council of the City of Corinth shall recommend to the Board the person to serve as President. All officers shall be elected by and subject to removal from office at the will of and at any time by a vote of a majority of the Board.

5.2 President. The President shall be a Director of the Board and shall have the following authority:

- (a) Shall preside over all meetings of the Board;
- (b) Shall have the power to vote on all matters coming before the Board;
- (c) Shall have the authority, upon notice to the members of the Board, to call a Special Meeting of the Board when in his or her judgment such a meeting is required;
- (d) Shall have the authority to appoint, with Board approval, sub-committees to aid and assist the Board in its business undertakings or other matters incident to the operation and functions of the Board; and
- (e) Shall sign and execute all contracts and other legal documents in the name of the Corporation as approved by the Board.

5.3 Vice-President. The Vice-President shall be a Director of the Board and shall exercise the powers of the President during the President's absence, refusal or inability to act. Any action taken by the Vice-President in the performance of the duties of the President shall be conclusive evidence of the President's absence, inability or refusal to act at the time such action was taken.

5.4 Treasurer. The Treasurer need not be a Director of the Board. The Treasurer may be an employee of the City's Finance Department and shall have the responsibility to monitor the handling, custody and security of all funds and securities of the Corporation in accordance

with these Bylaws and the statutes governing the Corporation formed under the Act. The Treasurer shall oversee the books of the Corporation and the full and accurate accounting of all monies received by and paid on behalf of the Corporation. The Treasurer shall, at the expense of the Corporation, give such bond for faithful discharge of his/her duties in such form as the Board may require.

5.5 Executive Director. The Executive Director and all other positions assigned to support the Board are appointed by the City Manager as compensated employees of the City. A current or former Board Director shall not be eligible to serve as Executive Director while serving on the Board and for a year after leaving the Board. The Executive Director and all positions assigned to support the Board shall report to the City Manager for all daily operations and implementation of Board policies and resolutions. The Executive Director or a representative of the City's management as designated by the City Manager shall attend all Board meetings.

5.6 Secretary. The Secretary shall be a Director of the Board and may sign with the President upon the approval of the Board in the name of the Corporation, and/or attest to the signature thereto, all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments, except the papers as the Board may direct, all of which shall at all reasonable times be open to public inspection upon application at the office of the Corporation during business hours; and shall in general perform all duties incidental to the office of Secretary subject to the control of the Board. The Secretary shall maintain the minutes of all meetings of the Board in books provided for that purpose and shall give and serve all notices.

5.7 Election of Officers. The President, Vice-President and Secretary shall be elected from among the Directors of the Board. The Treasurer may be an employee of the City, appointed by the Finance Director of the City of Corinth ("Finance Director") to oversee the finances of the Corporation.

## ARTICLE VI

## **FUNCTIONAL CORPORATE DUTIES AND REQUIREMENTS**

- 6.1 Annual Report. The Executive Director shall prepare an annual report on or before April 1<sup>st</sup> of each year for City Council, outlining the accomplishments and activities of the Corporation for the previous fiscal year.
- 6.2 Annual Corporate Budget. On or before July 20th of each year, the Board shall adopt a proposed budget of expected revenues and proposed expenditures of the next ensuing fiscal year. The budget shall not be effective nor shall expenditures occur until the same has been approved by the City Council.
- 6.3 Books, Records and Audits.
- (a) The Corporation shall keep and properly maintain, in accordance with generally accepted accounting principles, complete books, records, accounts and financial statements pertaining to its corporate funds, activities and affairs. Notwithstanding any provision in Section 5.04, the Corporation may maintain any financial records solely at City Hall.
  - (b) The books, records, accounts and financial statements of the Corporation shall be audited at least once each fiscal year by the Finance Director or an outside, independent auditing and accounting firm approved by the Finance Director.
- 6.4 Deposit and Investment of Corporate Funds.
- (a) All proceeds from the issuance of bonds, notes, or other debt instruments ("Obligations") issued by the Corporation shall be deposited and invested as provided in any resolution, order, indenture, or other documents authorizing or relating to any such issuance.
  - (b) All other monies of the Corporation shall be deposited, secured and/or invested in the manner provided for the deposit, security and/or investment of the public funds of the



City. The Board shall designate authorized signatures on all payment authorization and/or check requests. The reconciliation of accounts and investment of funds may be reviewed by the City, at the City's expense.

6.5 Expenditures of Corporate Money. The monies of the Corporation, including but not limited to, sales and use taxes collected pursuant to the Act, monies derived from the repayment of loans, rents received from the lease or use of property, proceeds from the investment of funds of the Corporation, proceeds from the sale of property, and proceeds derived from the sale of Obligations, may be expended by the Corporation for any purposes authorized by the Act, subject to the following limitations:

- (a) Expenditures from the proceeds of Obligations shall be identified and described in the orders, resolutions, indentures or other agreements submitted to and approved by the City Council prior to the sale and delivery of the Obligations to the purchasers thereof.
- (b) Expenditures that may be made from a fund created with the proceeds of Obligations, and expenditures of monies derived from sources other than the proceeds of Obligations may be used for the purposes of financing or otherwise providing one or more "Projects," as defined in the Act. The specific expenditures shall be described in a resolution or order of the Board and shall be made only after the approval thereof by the City Council.
- (c) Except as otherwise set forth in Section 6.05, or a project for which a public hearing is not required by the Act, two (2) separate public hearings shall be held prior to the approval of any proposed specific project. One (1) shall be held by the Board and one (1) shall be held by the City Council.
- (d) All proposed expenditures shall be made in accordance with, and shall be set forth, in the annual budget required in Section 6.02 of this Article.

- (e) For any specific project costing \$25,000.00 or less, the Board may approve, and begin making expenditures 60 days subsequent to the Board's public hearing required by Section 6.05(c). The City Council is not required to conduct a public hearing for any project costing \$25,000.00 or less, or for any project for which a public hearing is not required by the Act.
- 6.6 Issuance of Obligations. No Obligations, including refunding Obligations, shall be sold and delivered by the Corporation unless the City Council adopts a resolution, not earlier than the 60th day before the date the Obligations are delivered, specifically approving the Corporation's resolution providing for the issuance of such Obligations.
- 6.7 Conflict of interest. The procedures of the Texas Local Government Code, Chapter 171, shall apply to conflicts of interest by Board Directors who shall be considered local public officials for purposes of these Bylaws. If a Director has a substantial interest in any business entity or real property, which is subject of deliberation by the Board, the Director shall file an affidavit with the Secretary of the Corporation stating the nature and extent of the interest. Such affidavit shall be filed prior to any vote or decision upon the matter of the Board, and the interested Director shall abstain from any vote, decision or discussion upon the matter.
- 6.8 Gifts. The Board may accept on behalf of the Corporation, any contribution, gift, bequest, or devise for the general purposes or for any special purposes of the Corporation.
- 6.9 Contracts for Service. All contracts of the Corporation must be approved by the City Council before the contract is executed by the officers of the Corporation. After a contract is approved by the City Council, expenditures made in accordance with the terms of that contract do not require additional City Council approval. Other expenditures of the Corporation require City Council approval before the expenditure is made.

ARTICLE VII

MISCELLANEOUS PROVISIONS

- 7.1 Fiscal Year. The fiscal year of the Corporation shall be the same as the fiscal year of the City.
- 7.2 Seal. The Board of Directors shall have the option of electing to use a corporate seal which shall be in a form and may contain inscription as the Board may determine. The absence of a corporate seal shall not vitiate any record, document or act of the Board.
- 7.3 Resignations. Any Director or officer may resign at any time. Such resignations shall be made in writing and shall take effect at the time specified therein, or, if no time is specified, at the time of its receipt by the President or Secretary.
- 7.4 Approval or Advice and Consent by City Council. To the extent that these Bylaws refer to any approval by the City Council or refer to advice and consent by the City Council, such advice and consent shall be evidenced by a certified copy of a resolution, order or motion duly adopted by City Council.
- 7.5 Services of City Staff and Officers. The Corporation may utilize the services of the City personnel for usual and routine matters, provided that the performance of such service does not materially interfere with the other duties of such personnel of the City. Subject to approval of the City Manager or the City Council, the Corporation may utilize the services of City personnel for unusual and non-routine matters. The Corporation shall pay reasonable compensation to the City for such services or use of any City personnel.
- 7.6 Indemnification of Directors, Officers and Employees.
- (a) As provided in the Act and in the Articles of Incorporation, the Corporation is, for the purposes of the Texas Tort Claims Act (Subchapter A, Chapter 101), Texas Civil Practices and Remedies Code, a governmental unit, and its actions are governmental functions.
  - (b) The Corporation shall indemnify each Director of the Board, its officers, its employees, its attorneys, each member of City Council and each member of the

City, to the fullest extent permitted by the Act against all liability or expense, including but not limited to attorneys' fees incurred by any of such persons by reason of any actions or omissions that may arise out of the functions and activities of the Corporation.

- (c) The Corporation may purchase and maintain insurance on behalf of any Board Director, officer, employee or agent of the Corporation, or on behalf of any person serving at the request of the Corporation as a Board Director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against that person and incurred by that person in any such capacity or arising out of any such status with regard to the Corporation, whether or not the Corporation has the power to indemnify that person against liability for any of those acts.
- (d) Any indemnification or liability insurance provided under this Section may be obtained through the City's general insurance coverage.

7.7 Legal Construction. These Bylaws shall be construed in accordance with the laws of the State of Texas. All references in these Bylaws to statutes, regulations, or other sources of legal authority shall refer to the authorities cited, or their successors, as they may be amended from time to time. The provisions of the Act applicable to corporations governed under the Act are incorporated within these Bylaws as amended. In the event of any conflict between the applicable provisions of the Act and these Bylaws, then the provisions of the Act shall control.

7.8 Severability. If any provision or section of these Bylaws is held to be invalid, illegal or unenforceable in any respect, the invalidity, illegality or unenforceability shall not affect any other provision, and the Bylaws shall be construed as if the invalid, illegal, or unenforceable provision had not been included in the Bylaws.

- 7.9 Parties Bound. The Bylaws shall be binding upon and inure to the benefit of the Directors, officers and agents of the Corporation and their respective heirs, executors, administrators, legal representatives, successors and assigns, except as otherwise provided herein.
- 7.10 Applicability of City Charter, Policies and Procedures. The City Charter and all duly approved City policies and procedures shall apply directly to the Corporation and the Board unless such charters, policies or procedures are superseded by state law or are not related to the functions of the Board. The Board has the discretion, subject to the approval of the City Council, to adopt other policies and procedures in addition to or in place of these policies and procedures of the City.

ARTICLE VIII

**EFFECTIVE DATE, AMENDMENTS**

8.1 Effective Date. These Bylaws shall become effective upon the occurrence of all of the following events:

- (a) The adoption of these Bylaws by the Board; and
- (b) The approval and adoption of these Bylaws by the City Council

8.2 Amendments to Articles of Incorporation and Bylaws. These Bylaws may be amended or repealed, and amended Bylaws may be adopted by either:

- (a) An affirmative vote of at least four (4) Board Directors present at any regular meeting or any special meeting, if at least three (3) days written notice is given of an intention to amend or repeal the Bylaws or to adopt new Bylaws at such meeting. Any such amendment of the Bylaws will be effective upon approval by the City Council; or
- (b) The City Council, in its sole discretion.

Amended this the \_\_\_ day of \_\_\_\_\_, 2018

\_\_\_\_\_  
Tina Henderson  
President of the Board of Directors

Attest:

\_\_\_\_\_  
James Alexander  
Executive Director

Approved by the City Council of the City of Corinth, Texas on this \_\_\_\_ day of \_\_\_\_\_ 2018:

\_\_\_\_\_  
Bill Heidemann  
Mayor



*Gateway to success*

## BYLAWS

CORINTH ECONOMIC DEVELOPMENT

CORPORATION BOARD OF DIRECTORS

**A TEXAS NON-PROFIT CORPORATION**

### ARTICLE I

#### **PURPOSE AND POWERS**

- 1.1 Purpose. These bylaws ("Bylaws") govern the affairs of the Corinth Economic Development Corporation (hereafter "the Corporation"), a Type B Corporation created for the purposes set forth in Article IV of its Articles of Incorporation, the same to be accomplished on behalf of and for the benefit of the City of Corinth, Texas, a Texas municipal corporation (the "City") as its duly constituted authority and instrumentality in accordance with the Development Corporation Act of 1979, Chapters 501 and 505 et seq. of the Texas Local Government Code as amended (collectively, the "Act"), and other applicable laws.
- 1.2 Powers. In the fulfillment of its corporate purpose, the Corporation shall be governed by the Act and Bylaws and shall have all the powers set forth and conferred in its Articles of Incorporation, in the Act, and in other applicable laws.



ARTICLE II

**OFFICES**

- 2.1 Principal Office. The principal office of the Corporation shall be in the City of Corinth, Denton County, Texas being 3300 Corinth Parkway, Corinth, Texas 76208.
- 2.2 Registered Office and Registered Agent. The Corporation shall have and continuously maintain in the State of Texas a registered office and a registered agent, whose office shall be identical with such registered office, as required by the Texas Non-Profit Corporation Act. The registered office may be, but need not be identical with the principal office of the corporation in the State of Texas, and the Board may change the address of the registered office from time to time.

ARTICLE III

**MEMBERS&STOCKHOLDERS**

- 3.1 The Corporation shall have no members or stockholders.

ARTICLE IV

**BOARD OF DIRECTORS**

- 4.1 Powers. Number and Term of Office:
- (a) The property and affairs of the Corporation shall be managed and controlled by the Board of Directors (hereafter "the Board"), and subject to the restrictions imposed by all applicable laws, the Articles of Incorporation, and these Bylaws, and the Board shall exercise all of the powers of the Corporation.

- (b) The Board shall consist of seven (7) Directors each of whom shall be appointed by the City Council of the City of Corinth (hereafter "City Council"), as provided in Article VII of the Articles of Incorporation.
- (c) Each member of the Board of Directors shall serve a two (2) year term, or until his/her successor is appointed, unless sooner removed or resigned. Each Director shall be eligible for reappointment. No Director shall serve more than two (2) consecutive terms excluding the initial term, if less than two (2) years. Any vacancy occurring on the Board shall be filled by appointment of the City Council, to hold office until the expiration of the term of the vacating member. Unless otherwise provided, terms shall begin on October 1st and expire on September 30<sup>th</sup>.
- (d) The Directors constituting the first Board shall be those Directors named in the Articles of Incorporation. The respective initial terms of the Board are set forth in the Articles of Incorporation. Thereafter, each successor member of the Board shall be appointed and serve for two (2) years, or until his or her successor is appointed as hereafter provided.
- (e) Any Director may be removed from the Board by the City Council at any time without cause.

4.2 Regular and Special Meetings. The Board shall hold its annual meeting at 6:00 PM on the first Monday of the month of June of each year and shall hold regular meetings at 6:00 PM on the first Monday of each month. The Directors shall hold their regular and special meetings at such place, or places within the City limits, as the Board may determine from time to time; provided, however, in the absence of any such determination by the Board, the meetings shall be held at the principal office of the Corporation as specified in Article II of these Bylaws. Special meetings of the Board shall be held whenever called by the President,

- a majority of the Directors, the Mayor of the City, or a majority of the City Council. In addition to posting a meeting notice in accordance with these Bylaws, a copy of each such meeting notice shall be delivered to each Director not less than 72 hours before the time of the meeting. A meeting notice shall be deemed delivered to any Director when (i) deposited in the United States mail addressed to the Director at his or her address as it appears on the records of the Corporation, or (ii) sent by email to the Director at his or her email address as it appears on the records of the Corporation. A Director may waive such notice in writing at any time either before or after the time of the meeting and such notice shall be deemed waived by attendance.
- 4.3 Notice and Open Meetings Act. The Corporation shall be considered a "governmental body" within the meaning of the Texas Government Code, Sec. 551.001, and notice of each meeting and deliberation shall be given to the public in accordance with the provisions of the Texas Government Code, Chapter 551 (as amended).
- 4.4 Quorum and Voting. Four (4) Directors shall constitute a quorum for conducting official business of the Corporation. The act of a quorum of Directors shall constitute the act of the Board, and of the Corporation, unless law requires the act of a greater number. No Director may vote or attend by proxy. Directors must be present to vote at any meeting.
- 4.5 Attendance. Regular attendance is required at all meetings. Two (2) consecutive unexcused absences from regular scheduled meetings of the Board shall constitute cause for replacement of a Director. An unexcused absence is one not approved by the President.
- 4.6 Conduct of Business:
- (a) At the meetings of the Board, Roberts' Rules of Order shall be the guide by which business is conducted.
  - (b) At all meetings of the Board, the President shall preside, and in the absence of the President, the Vice-President shall exercise the powers of the President; provided, however, in the absence of the President and Vice-President, the quorum may elect a

temporary President for such ~~meeting~~

- (c) The Secretary of the Corporation shall act as Secretary of all meetings of the Board, but in the absence of the Secretary, the presiding officer may appoint any person to act as Secretary of the meeting.

- 4.7 Sub-Committees of the Board. The Board may designate no more than three (3) Directors to constitute an official sub-committee of the Board to exercise such authority of the Board as may be specified in any resolution; however, any subcommittee shall function as a recommending body only. Only the Board may exercise final official action of the Corporation. The subcommittees may include external representation if deemed necessary by the Board. Each subcommittee shall keep regular minutes of the transactions of its meetings.
- 4.8 Compensation. Officers of the Corporation who are Directors of the Board shall not receive any salary or compensation for their services, except that they may be reimbursed for their actual and reasonable expenses incurred in the performance of their duties hereafter by the President, or the Vice-President in the case of reimbursement to the President. Other officers, who are not Directors of the Board, may be compensated as directed by the Board.
- 4.9 Personnel. The Corporation may establish full-time and/or part-time personnel positions to be filled by appointment by the City Manager . Personnel positions assigned to support the Board shall be reflected in the Annual Corporate Budget and approved as provided in these Bylaws.

## ARTICLE V

### OFFICERS

#### 5.1 Titles and Terms of Office.

- (a) The officers of the Corporation shall consist of a President, a Vice-President, a Secretary, a Treasurer and any other officers as the Board may from time to time elect

or appoint. One person may hold more than one office, except the President shall not hold the office of the Secretary. Terms of officers shall be two (2) years, beginning October 1<sup>st</sup> or other appropriate date in the case of an initial partial year and ending September 30<sup>th</sup>.

- (b) The City Council of the City of Corinth shall recommend to the Board the person to serve as President. All officers shall be elected by and subject to removal from office at the will of and at any time by a vote of a majority of the Board.

5.2 President. The President shall be a Director of the Board and shall have the following authority:

- (a) Shall preside over all meetings of the Board;
- (b) Shall have the power to vote on all matters coming before the Board;
- (c) Shall have the authority, upon notice to the members of the Board, to call a Special Meeting of the Board when in his or her judgment such a meeting is required;
- (d) Shall have the authority to appoint, with Board approval, sub-committees to aid and assist the Board in its business undertakings or other matters incident to the operation and functions of the Board; and
- (e) Shall sign and execute all contracts and other legal documents in the name of the Corporation as approved by the Board.

5.3 Vice-President. The Vice-President shall be a Director of the Board and shall exercise the powers of the President during the President's absence, refusal or inability to act. Any action taken by the Vice-President in the performance of the duties of the President shall be conclusive evidence of the President's absence, inability or refusal to act at the time such action was taken.

5.4 Treasurer. The Treasurer need not be a Director of the Board. The Treasurer may be an employee of the City's Finance Department and shall have the responsibility to monitor the

handling, custody and security of all funds and securities of the Corporation in accordance with these Bylaws and the statutes governing the Corporation formed under the Act. The Treasurer shall oversee the books of the Corporation and the full and accurate accounting of all monies received by and paid on behalf of the Corporation. The Treasurer shall, at the expense of the Corporation, give such bond for faithful discharge of his/her duties in such form as the Board may require.

- 5.5 Executive Director. The Executive Director and all other positions assigned to support the Board are appointed by the City Manager as compensated employees of the City to be documented as required by state law. A current or former Board Director shall not be eligible to serve as Executive Director while serving on the Board and for a year after leaving the Board. The Executive Director and all positions assigned to support the Board shall report to the City Manager for all daily operations and implementation of Board policies and resolutions. The Executive Director or a representative of the City's management as designated by the City Manager shall attend all Board meetings.
- 5.6 Secretary. The Secretary shall be a Director of the Board and may sign with the President upon the approval of the Board in the name of the Corporation, and/or attest to the signature thereto, all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments, except the papers as the Board may direct, all of which shall at all reasonable times be open to public inspection upon application at the office of the Corporation during business hours; and shall in general perform all duties incidental to the office of Secretary subject to the control of the Board. The Secretary shall maintain the minutes of all meetings of the Board in books provided for that purpose and shall give and serve all notices.
- 5.7 Election of Officers. The President, Vice-President and Secretary shall be elected from among the Directors of the Board. The Treasurer may be an employee of the City, appointed by the Finance Director of the City of Corinth ("Finance Director") to oversee the finances of the Corporation.

ARTICLE VI

**FUNCTIONAL CORPORATE DUTIES CORPORATE DUTIES AND REQUIREMENTS**

- 6.1 Annual Report. The Executive Director shall prepare an annual report on or before April 1<sup>st</sup> of each year for City Council, outlining the accomplishments and activities of the Corporation for the previous fiscal year.
- 6.2 Annual Corporate Budget. On or before July 20th of each year, the Board shall adopt a proposed budget of expected revenues and proposed expenditures of the next ensuing fiscal year. The budget shall not be effective nor shall expenditures occur until the same has been approved by the City Council.
- 6.3 Books, Records and Audits.
- (a) The Corporation shall keep and properly maintain, in accordance with generally accepted accounting principles, complete books, records, accounts and financial statements pertaining to its corporate funds, activities and affairs. Notwithstanding any provision in Section 5.04, the Corporation may maintain any financial records solely at City Hall.
  - (b) The books, records, accounts and financial statements of the Corporation shall be audited at least once each fiscal year by the Finance Director or an outside, independent auditing and accounting firm approved by the Finance Director.
- 6.4 Deposit and Investment of Corporate Funds.
- (a) All proceeds from the issuance of bonds, notes, or other debt instruments ("Obligations") issued by the Corporation shall be deposited and invested as provided in any resolution, order, indenture, or other documents authorizing or relating to any such issuance.

- (b) All other monies of the Corporation shall be deposited, secured and/or invested in the manner provided for the deposit, security and/or investment of the public funds of the City. The Board shall designate authorized signatures on all payment authorization and/or check requests. The reconciliation of accounts and investment of funds may be reviewed by the City, at the City's expense.

6.5 Expenditures of Corporate Money. The monies of the Corporation, including but not limited to, sales and use taxes collected pursuant to the Act, monies derived from the repayment of loans, rents received from the lease or use of property, proceeds from the investment of funds of the Corporation, proceeds from the sale of property, and proceeds derived from the sale of Obligations, may be expended by the Corporation for any purposes authorized by the Act, subject to the following limitations:

- (a) Expenditures from the proceeds of Obligations shall be identified and described in the orders, resolutions, indentures or other agreements submitted to and approved by the City Council prior to the sale and delivery of the Obligations to the purchasers thereof.
- (b) Expenditures that may be made from a fund created with the proceeds of Obligations, and expenditures of monies derived from sources other than the proceeds of Obligations may be used for the purposes of financing or otherwise providing one or more "Projects," as defined in the Act. The specific expenditures shall be described in a resolution or order of the Board and shall be made only after the approval thereof by the City Council.
- (c) Except as otherwise set forth in Section 6.05, or a project for which a public hearing is not required by the Act, two (2) separate public hearings shall be held prior to the approval of any proposed specific project. One (1) shall be held by the Board and one (1) shall be held by the City Council.



- (d) All proposed expenditures shall be made in accordance with, and shall be set forth, in the annual budget required in Section 6.02 of this Article.
- (e) For any specific project costing \$25,000.00 or less, the Board may approve, and begin making expenditures 60 days subsequent to the Board's public hearing required by Section 6.05(c). The City Council is not required to conduct a public hearing for any project costing \$25,000.00 or less, or for any project for which a public hearing is not required by the Act.

6.6 Issuance of Obligations. No Obligations, including refunding Obligations, shall be sold and delivered by the Corporation unless the City Council adopts a resolution, not earlier than the 60th day before the date the Obligations are delivered, specifically approving the Corporation's resolution providing for the issuance of such Obligations.

6.7 Conflict of interest. The procedures of the Texas Local Government Code, Chapter 171, shall apply to conflicts of interest by Board Directors who shall be considered local public officials for purposes of these Bylaws. If a Director has a substantial interest in any business entity or real property, which is subject of deliberation by the Board, the Director shall file an affidavit with the Secretary of the Corporation stating the nature and extent of the interest. Such affidavit shall be filed prior to any vote or decision upon the matter of the Board, and the interested Director shall abstain from any vote, decision or discussion upon the matter.

6.8 Gifts. The Board may accept on behalf of the Corporation, any contribution, gift, bequest, or devise for the general purposes or for any special purposes of the Corporation.

6.9 Contracts for Service. All contracts of the Corporation must be approved by the City Council before the contract is executed by the officers of the Corporation. After a contract is approved by the City Council, expenditures made in accordance with the terms of that contract do not require additional City Council approval. Other expenditures of the Corporation require City Council approval before the expenditure is made.

ARTICLE VII  
MISCELLANEOUS PROVISIONS

- 7.1 Fiscal Year. The fiscal year of the Corporation shall be the same as the fiscal year of the City.
- 7.2 Seal. The Board of Directors shall have the option of electing to use a corporate seal which shall be in a form and may contain inscription as the Board may determine. The absence of a corporate seal shall not vitiate any record, document or act of the Board.
- 7.3 Resignations. Any Director or officer may resign at any time. Such resignations shall be made in writing and shall take effect at the time specified therein, or, if no time is specified, at the time of its receipt by the President or Secretary.
- 7.4 Approval or Advice and Consent by City Council. To the extent that these Bylaws refer to any approval by the City Council or refer to advice and consent by the City Council, such advice and consent shall be evidenced by a certified copy of a resolution, order or motion duly adopted by City Council.
- 7.5 Services of City Staff and Officers. The Corporation may utilize the services of the City personnel for usual and routine matters, provided that the performance of such service does not materially interfere with the other duties of such personnel of the City. Subject to approval of the City Manager or the City Council, the Corporation may utilize the services of City personnel for unusual and non-routine matters. The Corporation shall pay reasonable compensation to the City for such services or use of any City personnel.
- 7.6 Indemnification of Directors, Officers and Employees.
- (a) As provided in the Act and in the Articles of Incorporation, the Corporation is, for the purposes of the Texas Tort Claims Act (Subchapter A, Chapter 101), Texas Civil Practices and Remedies Code, a governmental unit, and its actions are

governmental functions.

- (b) The Corporation shall indemnify each Director of the Board, its officers, its employees, its attorneys, each member of City Council and each member of the City, to the fullest extent permitted by the Act against all liability or expense, including but not limited to attorneys' fees incurred by any of such persons by reason of any actions or omissions that may arise out of the functions and activities of the Corporation.
- (c) The Corporation may purchase and maintain insurance on behalf of any Board Director, officer, employee or agent of the Corporation, or on behalf of any person serving at the request of the Corporation as a Board Director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against that person and incurred by that person in any such capacity or arising out of any such status with regard to the Corporation, whether or not the Corporation has the power to indemnify that person against liability for any of those acts.
- (d) Any indemnification or liability insurance provided under this Section may be obtained through the City's general insurance coverage.

7.7 Legal Construction. These Bylaws shall be construed in accordance with the laws of the State of Texas. All references in these Bylaws to statutes, regulations, or other sources of legal authority shall refer to the authorities cited, or their successors, as they may be amended from time to time. The provisions of the Act applicable to corporations governed under the Act are incorporated within these Bylaws as amended. In the event of any conflict between the applicable provisions of the Act and these Bylaws, then the provisions of the Act shall control.

7.8 Severability. If any provision or section of these Bylaws is held to be invalid, illegal or

unenforceable in any respect, the invalidity, illegality or unenforceability shall not affect any other provision, and the Bylaws shall be construed as if the invalid, illegal, or unenforceable provision had not been included in the Bylaws.

7.9 Parties Bound. The Bylaws shall be binding upon and inure to the benefit of the Directors, officers and agents of the Corporation and their respective heirs, executors, administrators, legal representatives, successors and assigns, except as otherwise provided herein.

7.10 Applicability of City Charter, Policies and Procedures. The City Charter and all duly approved City policies and procedures shall apply directly to the Corporation and the Board unless such charters, policies or procedures are superseded by state law or are not related to the functions of the Board. The Board has the discretion, subject to the approval of the City Council, to adopt other policies and procedures in addition to or in place of these policies and procedures of the City.

ARTICLE VIII

**EFFECTIVE DATE, AMENDMENTS**

81 Effective Date. These Bylaws shall become effective upon the occurrence of all of the following events:

- (a) The adoption of these Bylaws by the Board; and
- (b) The approval and adoption of these Bylaws by the City Council

82 Amendments to Articles of Incorporation and Bylaws. These Bylaws may be amended or repealed, and amended Bylaws may be adopted by either:

- (a) An affirmative vote of at least four (4) Board Directors present at any regular meeting or any special meeting, if at least three (3) days written notice is given of an intention to amend or repeal the Bylaws or to adopt new Bylaws at such meeting. Any such amendment of the Bylaws will be effective upon approval by the City Council; or
- (b) The City Council, in its sole discretion.

Amended this the \_\_\_\_ day of \_\_\_\_\_, 2018

\_\_\_\_\_  
Tina Henderson  
President of the Board of Directors

Attest:

\_\_\_\_\_  
James Alexander  
Executive Director

Approved by the City Council of the City of Corinth, Texas on this \_\_\_\_ day of \_\_\_\_\_ 2018:

\_\_\_\_\_  
Bill Heidemann  
Mayor