

DEVELOPMENT CORPORATION OF HARLINGEN, INC.
BOARD OF DIRECTORS' REGULAR MEETING
June 18, 2019

Notice is hereby given that the above Board of Directors will hold a Regular Meeting on **Tuesday, June 18, 2019 at 12:00 p.m. (noon)**, at the **University Center, 2424 Boxwood Street, Suite 128, Harlingen, Texas.**

The Development Corporation of Harlingen, Inc., hereinafter "HEDC", reserves the right to meet in Executive Session on any agenda item should the need arise, and if applicable, pursuant to authorization by Title 5, Chapter 551 of the Texas Government Code. HEDC meetings are available to all persons regardless of disability. If you require special assistance, please contact the **HEDC office at (956) 216-5081 or e-mail us at info@harlingenedc.com at least 24 hours in advance of the meeting.**

AGENDA ITEMS

Call Meeting to Order

Roll Call

Pledge of Allegiance

Recognition of Guest(s)

Public Comment

1. Special recognition of Brendan Hall's service.
2. Carr, Riggs & Ingram's presentation reviewing summarized financial information for HEDC included in the Comprehensive Annual Financial Report for the City of Harlingen for Fiscal Year 2017-2018.
3. Discuss and review Fiscal Year 2018-2019 Budget Amendments.
4. a) Executive Session pursuant to Chapter 551, Subchapter D., V.T.C.A. Government Code (Section 551.072), regarding the purchase, lease or value of real estate, if the deliberation in an open meeting would have a detrimental effect on the position of the Development Corporation of Harlingen Inc. in negotiations with a third person regarding some of the following projects; and/or Contemplated or pending litigation, or matters where legal advice is requested of the Attorney on a matter in which the duty of the attorney to the Board under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Act (Section 551.071) of the Texas Open Meetings Act. and/or Executive Session pursuant to Chapter 551, Subchapter D., V.T.C.A. Government Code (Section 551.087) regarding commercial and financial information from business prospects with which the Board is conducting economic development negotiations and/or to discuss or deliberate financial or other incentives relating to

the following projects:

- i) Project Development
- ii) Project Firefly
- iii) Texas State Technical College/University Articulation and Career Center
- iiii) Project Big Bird
- v) Consultation with legal counsel regarding potential real estate projects

b) Executive Session pursuant to Chapter 551, Subchapter D., V.T.C.A. Government Code (Section

551.074), personnel, involving the appointments, employment, evaluations, reassignments, and/or duties of the positions of Manager/CEO, Office Manager, Marketing Manager, Executive Assistant, Industrial Recruitment and Retention Manager, Commercial Recruitment and Retention Manager and Legal Counsel.

5. Action on executive session items, if necessary.
6. Consider and take action to adopt Fiscal Year 2018-2019 Budget Amendments.
7. Consider and take action to authorize Manager/CEO to execute Agreement for Legal Services.
8. Staff reports
 - a) CEO's report
 - b) Industrial recruitment and retention
 - c) Commercial recruitment and retention
 - d) Marketing

I, the undersigned authority, do hereby certify that the above Notice of Meeting of the Board of Directors of the above named Corporation is a true and correct copy of said notice posted on the bulletin board at City Hall of said City of Harlingen, Texas in a place convenient and readily accessible to the general public at all times and on the Corporation's internet website and said Notice was posted on Friday, June 14, 2019, at or before 5:00 p.m. and remained so posted for at least 72 hours preceding the time of said meeting.



Raudel Garza, Manager and Chief Executive Officer

II HARLINGEN
Economic Development Corporation

National Strength.
SOUTHERN ROOTS.

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CARR
RIGGS &
INGRAM
CPAs and Advisors
CRIcpa.com

**Presented by: Quentin Anderson, CPA
Carr, Riggs & Ingram, LLC**

2.

OVERVIEW

- Statement of Net Position
- Capital Assets
- Long-Term Debt
- Statement of Activities

STATEMENT OF NET POSITION

ASSETS	<u>\$39,755,937</u>	LIABILITIES	<u>\$29,018,857</u>
current assets	\$5,490,515	current liabilities	\$2,385,236
noncurrent assets	\$34,265,422	noncurrent liabilities	\$26,633,621
		NET POSITION	<u>\$10,737,080</u>
		net investment in	
		capital assets	\$4,954,805
		unrestricted	\$5,782,275

CAPITAL ASSETS

	2018	2017
Land	\$4,294,807	\$4,187,758
Building	31,902,903	31,902,903
Improvements	4,795,863	4,795,863
Less: Accumulated depreciation	<u>(7,759,267)</u>	<u>(6,641,971)</u>
Depreciable capital assets, net	<u>29,939,499</u>	<u>30,056,795</u>
Total capital assets, net	<u>\$33,234,306</u>	<u>\$34,244,553</u>

LONG-TERM DEBT

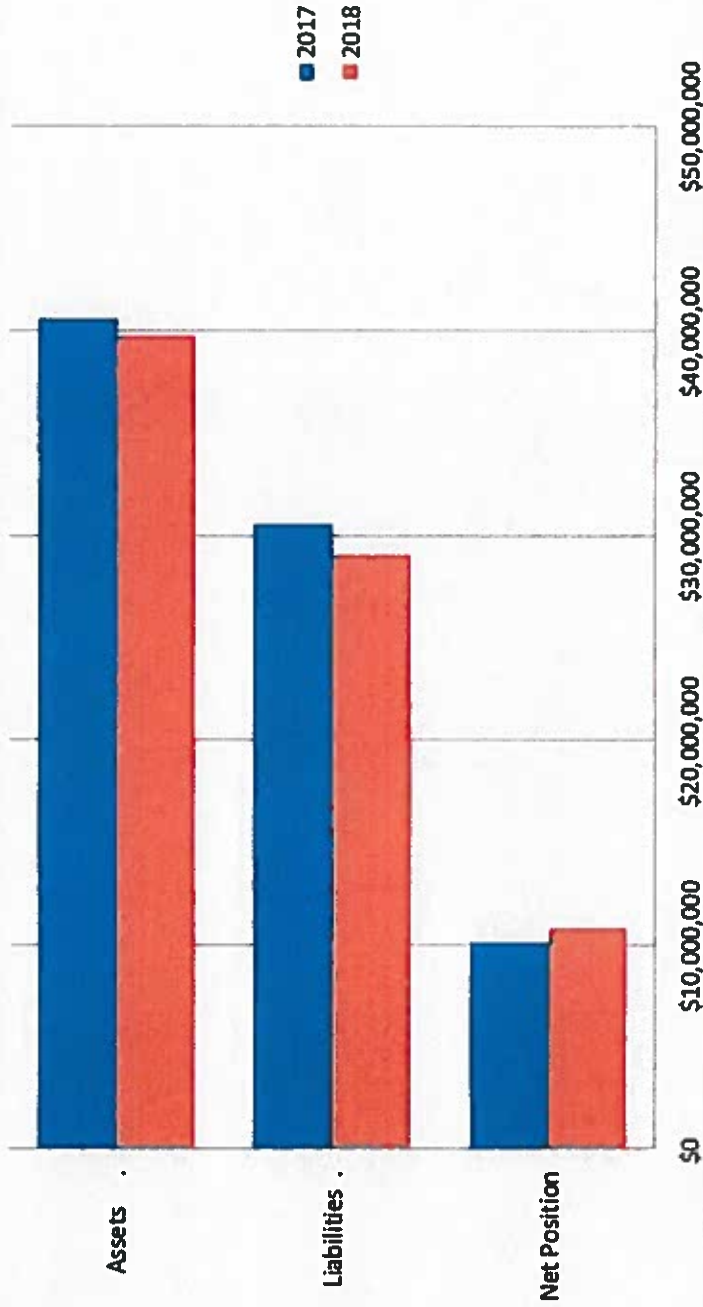
• Sales tax revenue bonds, Series 2010A		
-Interest rate: 2-5.125%		
-The principal balance on 9/30/18 was		
• Sales tax and lease rental Revenue Bonds, Series 2010B	<u>2018</u>	<u>2017</u>
	\$14,960,000	\$ 15,715,000
-Interest rate: 2.71-5.750%		
-The principal balance on 9/30/18 was	10,700,000	11,140,000
• Deferred discounts	(188,484)	(211,521)
• Notes payable	2,807,985	3,232,985
• Compensated absences	<u>42,120</u>	<u>26,142</u>
Total long-term debt	<u>\$28,321,621</u>	<u>\$ 29,902,606</u>

LONG-TERM DEBT

- The following is future maturities of bonds:

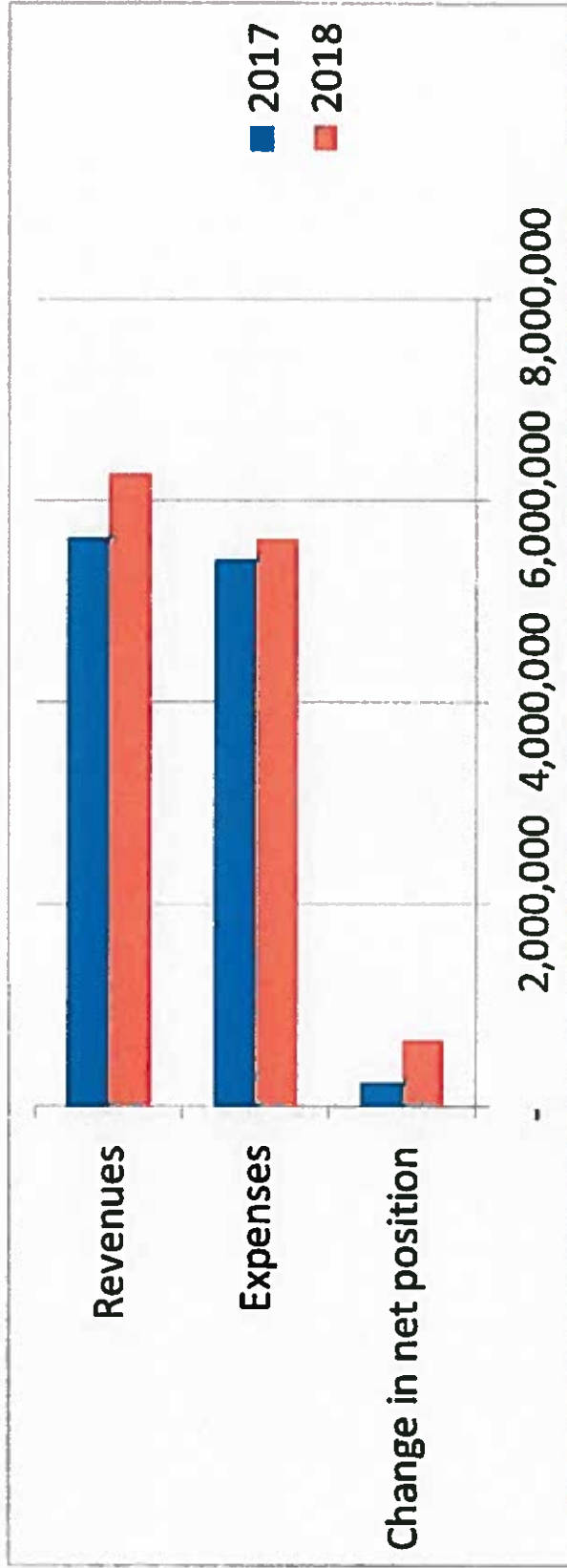
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	1,255,000	1,456,650	2,711,650
2020	1,310,000	1,397,538	2,707,538
2021	1,380,000	1,330,969	2,710,969
2022	1,455,000	1,256,200	2,711,200
2023	1,535,000	1,175,813	2,710,813
2024-2028	9,130,000	4,412,927	13,542,927
2029-2033	9,595,000	1,241,044	10,836,044
Total	<u>\$25,660,000</u>	<u>\$12,271,141</u>	<u>\$37,931,141</u>

Statement of Net Position



	Assets	Liabilities	Net Position
2018	\$39,755,937	\$29,018,857	\$10,737,080
2017	40,574,183	30,499,866	10,074,317
Increase(Decrease)	\$ (818,246)	\$ (1,481,009)	\$ 662,763

Statement of Activities



	Revenues	Expenses	Change in Net Position
2018	\$6,271,520	\$5,624,619	\$646,901
2017	\$5,638,333	\$5,410,377	\$227,956



Questions?



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Economic Development Corporation

CARR. RIGGS & INGRAM, LLC