



MINUTES
ROYSE CITY COMMUNITY DEVELOPMENT CORPORATION
SPECIAL CALLED MEETING - BUDGET WORKSHOP
THURSDAY, AUGUST 10, 2023- 7:00 A.M.
CITY HALL CONFERENCE ROOM – 305 N. ARCH STREET – ROYSE CITY

CDC STAFF IN ATTENDANCE:

CDC DIRECTOR CHARLES HOUK – PRESENT
CDC SECRETARY TONYA BROWN – PRESENT

OTHER:

COUNCILMAN RUSSELL RATTERREE

BOARD IN ATTENDANCE:

PRESIDENT DENA ELDER – PRESENT
VICE PRESIDENT BOBBY GLADU – PRESENT
TREASURER RICHARD PENSE – PRESENT
MEMBER, MAYOR CLAY ELLIS – PRESENT
MEMBER BLAIR JOHNSON – PRESENT – PRESENT
MEMBER, COUNCILMAN MICHAEL HOLDER – PRESENT
BATTALION CHIEF RUSSELL THOMAS – PRESENT

AGENDA TOPICS:

- A. CALL TO ORDER AND INVOCATION** AT 7:03 A.M., MS. ELDER CALLED THE MEETING TO ORDER. MR. ELLIS GAVE THE INVOCATION
- B. CITIZENS PARTICIPATION:**
- i. Persons may have three (3) minutes to address the board. By law, the board: (1) may not deliberate on items not listed on the item agenda and (2) may only respond with a statement of fact, state policy regarding the issue, or propose placing the item on a future agenda for deliberation. **NO CITIZEN PARTICIPATION**
- C. DISCUSS UPCOMING FISCAL YEAR BUDGET - OCTOBER 1, 2023 – SEPTEMBER 30, 2024 - IN REVIEWING LAST YEAR'S BUDGET, WE PROJECTED \$1.225M IN FREE CASH FLOW. WE ARE CURRENTLY ON TRACK TO FINISH THIS FISCAL YEAR VERY NEAR TO OUR PROJECTION**
- 1. BUDGET GOALS –**
 - i. MANAGE OUR CASH FLOW FOR FUTURE REQUESTS
 - ii. KEEP BUILDING HEALTHY RESERVES
 - iii. TAKE STEPS IN PREPARATION FOR BOND SERVICING
 - iv. ENGAGE A CONSULTANT FOR A STRATEGIC PLAN
- [MR. ELLIS REQUESTED THAT WE INCLUDE A START DATE ON PERFORMANCE AGREEMENTS GOING FORWARD TO PREVENT HAVING INCENTIVES HIT ALL AT ONCE DUE TO A LACK OF STARTING. MR. HOLDER SUGGESTED ADDING LANGUAGE REGARDING A PLAN FOR EXTENSION REQUESTS]
- 2. SALES TAX REVENUE PROJECTION:** OUR INCREASED INTEREST REVENUE COUPLED WITH OUR RENT REVENUE HAVE ADDED TO OUR INCREASE IN REVENUE. WE WILL SOON LUMP OUR REVENUE IN WITH THE CITY'S TO GAIN EVEN MORE INTEREST REVENUE. A 5% SALES TAX REVENUE IS PROJECTED. MR. ELLIS RECOMMENDED FOLLOWING THE CITY'S PLAN WHICH IS A 4% INCREASE.
 - 3. EXPENSE CATEGORIES & PROJECTION:** MR. HOUK REVIEWED THE BUDGET LINE ITEMS AND REQUESTED CERTAIN CHANGES.
 - i. MR. HOUK RECOMMENDED ADDING "MEALS" AS A LINE ITEM. MR. ELLIS AGREED WITH ADDING IT.
 - 4. PARTNERSHIP WITH THE CHAMBER OF COMMERCE:** MR. HOUK DISCUSSED THE PARTNERSHIP WITH THE CHAMBER FOR MARKETING SERVICES. MR. HOLDER COMMENTED ON THE NEED TO PROMOTE OUR LONG-TIME DOWNTOWN BUSINESS AS FERVENTLY AS THE NEW BUSINESSES. MR. THOMAS SUGGESTED AN AGREEMENT OR DOCUMENT OUTLINING OUR DESIRED MARKETING ACTIVITIES.
 - 5. RETAIL RECRUITING CONSULTANT:** MR. HOUK DISCUSSED THE BENEFITS AND FRUSTRATIONS OF WORKING WITH OUR CURRENT RETAIL RECRUITING CONSULTANT. HE WAS DISAPPOINTED THAT A REPRESENTATIVE WASN'T AT TODAY'S MEETING TO DISCUSS WHAT THEY ARE DOING FOR US. MR. HOUK FELT IT IS IMPORTANT TO CONTINUE TO WORK A RETAIL RECRUITING CONSULTANT. THE BOARD AGREED ON THE IMPORTANCE OF CONTINUING TO USE A CONSULTANT.

6. **MAIN STREET PROGRAM:** WE INITIALLY INCLUDED THIS NEW LINE ITEM IN FY2024 BUT AFTER RESEARCHING POSSIBLE PROGRAMS HAVE DECIDED TO REMOVE IT FROM THE BUDGET.
 7. **MISCELLANEOUS BUDGET-RELATED TOPICS:** WE WILL TIGHTEN UP THE BUDGET BASED ON WORKSHOP DISCUSSIONS. WE ARE BALLPARKING \$2.1M IN REVENUE, \$650,000 +/- IN EXPENSES WITH \$1.4M OF FREE CASH FLOW ENSURING RESERVES AFTER MEETING ALL OUR FINANCIAL OBLIGATIONS FOR THE ENSUING FISCAL YEAR.
- D. RECESS INTO CLOSED EXECUTIVE SESSION IN COMPLIANCE WITH TEXAS GOVERNMENT CODE TO WIT: AT 7:55 A.M.
- a. SECTION 551.074 – PERSONNEL MATTERS
 1. CDC ASSISTANT TONYA BROWN ANNUAL REVIEW
 2. CDC DIRECTOR CHARLES HOUK ANNUAL REVIEW
- E. ADJOURN CLOSED EXECUTIVE SESSION: AT 8:42 A.M.
- F. RECONVENE REGULAR SESSION AND TAKE ANY ACTION NECESSARY AS A RESULT OF EXECUTIVE SESSION DELIBERATIONS
1. TONYA BROWN ANNUAL REVIEW
 - i. MR. PENSE MADE A MOTION TO GIVE MRS. BROWN A 5% RAISE AND A \$2500 BONUS
 - ii. MR. ELLIS SECONDED THE MOTION
 - iii. THE MOTION PASSED 7:0
 2. CHARLES HOUK ANNUAL REVIEW
 - i. MR. GLADU MADE A MOTION TO GIVE MR. HOUK A 5% RAISE AND A \$5000 BONUS.
 - ii. MR. ELLIS SECONDED THE MOTION
 - iii. THE MOTION PASSED 7:0
- G. ADJOURN: AT 8:44 A.M

PASSED AND APPROVED BY THE COMMUNITY DEVELOPMENT CORPORATION OF THE CITY OF ROYSE CITY ON
THE 22ND DAY OF AUGUST, 2023, 5:0.

DENA ELDER – PRESIDENT or (BOBBY GLADU-VP)

ATTEST: TONYA BROWN SECRETARY