NOTICE OF MEETING
OF THE COPPERAS COVE ECONOMIC DEVELOPMENT CORPORATION

Notice is hereby given that the **Regular Meeting** of the Copperas Cove Economic Development Corporation will be held on **June 26, 2019 at 12:00 p.m.** in the Technology Center at 508 S. 2nd Street, Copperas Cove, Texas 76522 at which time the following agenda will be discussed.

An agenda information packet is available for public inspection on the Copperas Cove Economic Development's website, www.copperascove-edc.com, under the "About CCEDC and Meetings and Agendas" tab.

A. CALL TO ORDER

B. INVOCATION AND PLEDGE OF ALLEGIANCE

C. ROLL CALL

D. ANNOUNCEMENTS

E. CITIZENS FORUM

At this time, citizens will be allowed to speak on any matter other than personnel matters, matters under litigation, or matters on the regular agenda, for a length of time not to exceed five minutes per person. Thirty minutes total has been allotted for this section.

F. CONSENT AGENDA

All matters listed under this item are considered to be routine by the EDC Board of Directors and will be enacted by one motion. There will not be separate discussion of these items. If discussion is desired, that item will be removed from the consent agenda and considered separately.

1. Consideration and action on approval of minutes for the Regular Meeting held on May 22, 2019**. Brittany Sanders, Administrative Assistant, Copperas Cove Economic Development Corporation.**

G. PUBLIC HEARING

H. ACTION ITEMS

1. Presentation and acceptance of the Fiscal Year 2018 Annual Financial Report (AFR). **Velia Key, Director of Financial Services**

2. Discussion and consideration on submitting the FY 2019-2020 Proposed Budget to the City of Copperas Cove City Council on July 2, 2019. **Jonas Titas, Executive Director, Copperas Cove EDC**

3. Consideration and action on approving the unaudited financial report of the Copperas Cove Economic Development Corporation for the month of May 2019**. Velia Key, Director of Financial Services**

4. Consideration and action on authorizing the release of funds to the City of Copperas Cove for charges to the CCEDC for services rendered, as agreed upon, by various City employees for the month of May 2019. **Velia Key, Director of Financial Services**

I. REPORTS FROM STAFF, OUTSIDE ENTITIES, ADVISORY COMMITTEES AND BOARDS

J. ITEMS FOR FUTURE AGENDAS

K. EXECUTIVE SESSION

Pursuant to §551.087 of the Texas Government Code, the Economic Development Corporation Board will meet in Executive Session for discussion regarding the offer of a financial or other incentive to a business prospect referenced as **Project Coral**

Pursuant to §551.087 of the Texas Government Code, the Economic Development Corporation Board will meet in Executive Session for discussion regarding the offer of a financial or other incentive to a business prospect referenced as **Project Bullwhacker**

L. RECONVENE INTO OPEN SESSION FOR POSSIBLE ACTION RESULTING FROM ANY ITEM POSTED AND LEGALLY DISCUSSED IN EXECUTIVE SESSION.

M. ADJOURN

The Board of Directors reserves the right to adjourn into Executive Session at any time regarding any issue on this agenda for which it is legally permissible.

The Technology Building is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to the meeting. Please contact the City Secretary at (254) 547-4221 or FAX (254) 542-8927 for information or assistance.

I, the undersigned authority, do hereby certify that the above Notice of Meeting of the Governing Body of the Copperas Cove Economic Development Corporation was posted at **5:00 p.m. June 21, 2019**, inside the Display Case of the Copperas Cove Economic Development Corporation, 113 W. Avenue D, Copperas Cove, Texas, a place convenient and readily accessible to the general public at all times.

Brittany Sanders, Administrative Assistant
Copperas Cove EDC

Economic Development Corporation **F.1.**

Meeting Date: June 26, 2019

Contact: Brittany Sanders, Administrative Assistant, Copperas Cove Economic Development Corp.

Subject:

Consideration and action on approval of minutes for the Regular Meeting held on May 22, 2019. **Brittany Sanders, Administrative Assistant, Copperas Cove Economic Development Corporation**.

Attachments:

May 22, 2019 Regular Meeting Minutes

DRAFT

COPPERAS COVE ECONOMIC DEVELOPMENT CORPORATION
Meeting Minutes of May 22, 2019 Minutes
Order #2019-(05)-(22)

A. CALL TO ORDER

Chairman Adam Martin called the regular meeting of the Copperas Cove Economic Development Corporation to order at 12:00 P.M.

B. INVOCATION AND PLEDGE OF ALLEGIANCE

Director Joey Acfalle led the Invocation and the Pledge of Allegiance.

C. ROLL CALL

Roll call led by Administrative Assistant, Brittany Sanders.

Present:	*Adam Martin, Chairman*
	Jeremy Tate, Secretary
	Joey Acfalle, Director
	Jay Jackson, Director
Absent:	*Marcie Lowery, Director*
Others Present:	*Jonas Titas- Executive Director-EDC*
	Diane Drussell, Interim Director – EDC

D. ANNOUNCEMENTS

Administrative Assistant provided information on the following items:

- *City Council approves Jay Jackson as one of the new EDC Directors*
- *Five Hills Golf Tournament- May 25, 2019*
- *Run/Walk for the Homeless- May 25, 2019*
- *Chief Tim Molnes Golf Tournament*

E. CITIZENS FORUM

At this time, citizens will be allowed to speak on any matter other than personnel matters, matters under litigation, or matters on the regular agenda, for a length of time not to exceed five minutes per person. Thirty minutes total has been allotted for this section.

None at this time

F. CONSENT AGENDA - All matters listed under this item are considered to be routine by the EDC Board of Directors and will be enacted by one motion. There will not be separate discussion of these items. If discussion is desired, that item will be removed from the consent agenda and considered separately.

1. Consideration and action on approval of minutes for the Regular Board Meeting held on April 24, 2019**. Brittany Sanders, Administrative Assistant, Copperas Cove Economic Development Corporation.**

Secretary Jeremy Tate made a motion to approve Agenda Items F1. Director Joey Acfalle seconded that motion and with a unanimous vote, motion carried

2. Consideration and action on approval of minutes for the Regular Board Meeting held on April 24, 2019**. Brittany Sanders, Administrative Assistant, Copperas Cove Economic Development Corporation**

Secretary Jeremy Tate made a motion to approve Agenda Items F2. Director Joey Acfalle seconded that motion and with a unanimous vote, motion carried

G. PUBLIC HEARINGS

None at this time

H. ACTION ITEMS

1. Consideration and action on authorizing the release of funds to the City of Copperas Cove for charges to the CCEDC for services rendered, as agreed upon, by various City employees for the month of April 2019. **Velia Key, Director of Financial Services**

Director Joey Acfalle made a motion to approve Agenda Item H1. Secretary Jeremy Tate seconded that motion and with a unanimous vote, motion carried

2. Consideration and action on approving the unaudited financial report of the Copperas Cove Economic Development Corporation for the month of April 2019**. Velia Key, Director of Financial Services**

Secretary Jeremy Tate made a motion to approve Agenda Item H2. Director Joey Acfalle seconded that motion and with a unanimous vote, motion carried

3. Consideration and action on a resolution accepting the quarterly investment report as presented for the quarter ending March 2019 per the Investment Policy. **Velia Key, Director of Financial Services**

Director Joey Acfalle made a motion to approve Agenda Item H3. Director Jay Jackson seconded that motion and with a unanimous vote, motion carried

4. Discussion and direction on the participation in the regional DEAAG (Defense Economic Adjustment Assistance Grant) matching funds requirement. **Ryan Haverlah, Interim City Manager**

   Keith Sledd, Heart of Texas Defense Alliance, Executive Director, presented for the discussion and direction in participating in the regional DEAAG (Defense Economic Adjustment Assistance Grant). No action was taken on Agenda Item H4.

5. Consideration and action on accepting a bid for the demolition of the building owned by the Copperas Cove EDC located at 201 S. 2nd Street, Copperas Cove. **Diane Drussell, Assistant Director, Copperas Cove EDC.**

   Secretary Jeremy Tate made a motion to approve Agenda Item H5. Director Joey Acfalle seconded that motion and with a unanimous vote, motion carried

6. Consideration and action on accepting a proposal from Endeavor Real Estate for the purchase of the digital sign owned by the Copperas Cove EDC. **Diane Drussell, Assistant Director, Copperas Cove EDC.**

   Director Joey Acfalle made a motion to approve Agenda Item H6. Secretary Jeremy Tate seconded that motion and with a unanimous vote, motion carried

7. Discussion and direction on scheduling a date for the Board/Staff Strategic Planning Session. **Jonas Titas, Executive Director, Copperas Cove EDC.**

   Jonas Titas, Executive Director, presented for discussion and direction, the scheduling of the Board/Staff Strategic Planning Session. Direction was given by Adam Martin, Chairman to schedule Agenda item H7 on June 25, 2019.

8. Consideration and action on electing a new Vice Chairman to replace Christian Mulvey who resigned in January of 2019. **Adam Martin, Chairman, Copperas Cove EDC**

   Director Joey Acfalle nominated Director Marcie Lowery to fill the vacant Vice Chairman position for the EDC Board. Chairman Adam Martin nominated Director Joey Acfalle to fill said position. A motion was then made by Chairman Adam Martin to elect Director Joey Acfalle as Vice Chairman and Secretary Jeremy Tate seconded the motion with a unanimous vote, motion carried

9. REPORTS FROM STAFF, OUTSIDE ENTITIES, ADVISORY COMMITTEES AND BOARDS

None at this time

10. ITEMS FOR FUTURE AGENDAS

None at this time

11. EXECUTIVE SESSION

None at this time

12. RECONVENE INTO OPEN SESSION FOR POSSIBLE ACTION RESULTING FROM ANY ITEM POSTED AND LEGALLY DISCUSSED IN EXECUTIVE SESSION.

13. ADJOURN

Chairman Adam Martin adjourned the meeting at 12:53 P.M.

Jeremy Tate, Secretary

ATTEST:

Jonas Titas, Executive Director

Economic Development Corporation **H.1.**

Meeting Date: June 26, 2019

Contact: Velia Key, Director of Financial Services

Subject:
Presentation and acceptance of the Fiscal Year 2018 Annual Financial Report (AFR). **Velia Key, Director of Financial Services**

Description/Information:
Per Texas Local Government Code §103.001 a municipality shall have its records and accounts audited annually and shall have an annual financial statement prepared based on the audit.

The accounting firm of Weaver and Tidwell was selected on August 2, 2016 by the City Council to perform the annual audit in compliance with U.S. Generally Accepted Accounting Principles and in accordance with Government Auditing Standards for the City and Economic Development Corporation (EDC). This is the Third year that Weaver has performed the financial audit for the Corporation.

Financial Impact:
TBD

Action/Recommendation:
The CCEDC Staff recommends the Board accept the Annual Financial Report for the Fiscal Year ending September 30, 2018.

Copperas Cove
Economic Development Corporation
(A Component Unit of the City of Copperas Cove, Texas)

Annual Financial Report
September 30, 2018

weaver
Assurance · Tax · Advisory

Copperas Cove Economic Development Corporation
(A Component Unit of the City of Copperas Cove, Texas)

Annual Financial Report
September 30, 2018
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Independent Auditor's Report

To the Board of Directors of
Copperas Cove Economic Development Corporation
Copperas Cove, Texas

We have audited the accompanying financial statements of the governmental activities and the major fund of Copperas Cove Economic Development Corporation, a component unit of the City of Copperas Cove, Texas (the Corporation), as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise Copperas Cove Economic Development Corporation's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Copperas Cove Economic Development Corporation as of September 30, 2018, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

The Board of Directors of
Copperas Cove Economic Development Corporation

Other Matters

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedule, and pension schedules as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures to not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 17, 2019, on our consideration of the Corporation's internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control over financial reporting and compliance.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Austin, Texas
June 17, 2019

Management's Discussion and Analysis

As management of the Copperas Cove Economic Development Corporation (the Corporation), we offer readers of the Corporation's financial statements this narrative overview and analysis of the financial activities for the Corporation for the fiscal year ended September 30, 2018. We encourage readers to consider the information presented here in conjunction with the financial statements that follow this section.

Financial Highlights

- The assets and deferred outflows of resources of the Corporation exceeded its liabilities and deferred inflows of resources at the close of the 2018 fiscal year by $4,982,993 (net position), an increase of $674,833 from the prior year.
- As of the close of fiscal year 2018, the Corporation's governmental fund reported an ending fund balance of $5,700,799, an increase of $634,920 from the prior year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Corporation's basic financial statements. The Corporation's basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statement. This report also contains other required supplementary information in addition to the basic financial statement itself.

Government-Wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the Corporation's finances, in a format similar to a private- sector business.

The statement of net position presents information on all of the Corporation's assets, liabilities, and deferred outflows and inflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Corporation is improving or deteriorating.

The statement of activities presents information showing how the Corporation's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

Both of the government-wide financial statements distinguish functions of the Corporation that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The Corporation does not have any business-type activities. The Corporation was created for the purpose of promoting economic development within the City of Copperas Cove. The government-wide financial statements can be found on pages 8 and 9 of this report.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Corporation, like other state and local government entities, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Corporation only utilizes governmental funds in its financial statements.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, the reader may better understand the long-term impact of the Corporation's near term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. These reconciliations can be found on pages 13 and 15 of this report.

The Corporation adopts an annual appropriated budget for its General Fund. A budgetary comparison schedule has been provided to demonstrate compliance with this budget. It can be found on page 32 of this report.

The governmental fund financial statements can be found on pages 12 - 15 of this report.

Notes To The Financial Statements. The notes provided additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 17 – 29 of this report.

Government-Wide Financial Analysis

The following table reflects the condensed comparative Statement of Net Position as of September 30, 2018 and 2017:

Copperas Cove Economic Development Corporation's Net Position

	2018	2017
Current and other assets	$ 5,783,596	$ 5,120,184
Noncurrent assets	983,083	1,033,167
Total assets	6,766,679	6,153,351
Deferred outflows of resources	70,672	70,672
Long-term liabilities	1,656,954	1,751,954
Other liabilities	185,085	151,590
Total liabilities	1,842,039	1,903,544
Deferred inflows of resources	12,319	12,319
Net position		
Net investment in capital assets	983,083	1,033,167
Restricted for economic develoment	3,999,910	3,274,993
Total net position	$ 4,982,993	$ 4,308,160

Net position at year-end consists of two components. The first portion of net position ($983,083, or 20%) reflects the Corporation's investment in capital assets net of accumulated depreciation and any related outstanding debt used to acquire or construct those assets. The second portion consists of unrestricted net position ($3,999,910, or 80%).

Changes in Net Position. The Corporation's total revenues for the fiscal year ended September 30, 2018, were $1,361,664, a decrease of $620,302 (31%) from the prior year. This decrease was due to the prior year recognition of gain on the sale of land. The reduction is also the result of the November 8, 2016 election to reduce the City sales and use tax for economic and industrial development by 1/8 % as permitted under the provisions of Chapter 504, Type A Corporations of the Texas Local Government Code and to adopt 1/8 % city sales and use tax for Municipal Street Maintenance as permitted under Chapter 327 of the Texas Tax Code. This reduction of sales taxes took effect on June 30, 2017. The total cost of all programs and services increased by $56,440 from the prior year. This increase was primarily due to the loss of employees and the Corporation's need to pay third party professionals to perform certain tasks. The following table presents a summary of the changes in net position for the fiscal year ended September 30, 2018 and 2017.

Copperas Cove Economic Development Corporation's Changes in Net Position

	2018	2017
Revenues:		
General revenues:		
Sales taxes	$ 1,249,568	$ 1,428,485
Miscellaneous	401	1,974
Gain on sale of land	34,643	525,392
Unrestricted investment earnings	77,052	21,090
Total general revenues	1,361,664	1,976,941
Program revenues:		
Charges for services	-	5,025
Total program revenues	-	5,025
Total revenues	1,361,664	1,981,966
Expenses:		
Economic Development	628,681	567,336
Interest on long-term debt	58,150	63,055
Total expenses	686,831	630,391
Change in net position	674,833	1,351,575
Net position, beginning	4,308,160	2,956,585
Net position, ending	$ 4,982,993	$ 4,308,160

Financial Analysis of the Corporation's Funds

As noted earlier, the Corporation uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the Corporation's governmental funds is to provide information on near-term inflow, outflows and balances of spendable resources. Such information is useful in assessing the Corporation's financing requirements. At the end of the 2018 fiscal year, the Corporation's governmental funds reported combined ending fund balances of $5,700,799.

Budgetary Highlights

A budgetary comparison is required for the general fund. This schedule (page 32) compares the original adopted budget, the budget as amended throughout the fiscal year, and the actual expenditures. Amendments to the adopted budget may occur throughout the year in a legally permissible manner. There were some budget amendments made during fiscal year 2018, which were presented to both the City Council and the Board of Directors.

During the year, actual revenues exceeded budgeted revenues by $12,415. Total expenditures did not exceed budgeted amounts.

Capital Assets and Debt Administration

Capital Assets. As of September 30, 2018, the Corporation has $983,083 invested in various capital assets, net of accumulated depreciation.

The following table provides a breakdown of the capital asset balances net of accumulated depreciation at September 30, 2018 and 2017. Additional information on the Corporation's capital assets may be found in the notes to the financial statements.

	Governmental Activities	
	2018	2017
Land	$ 612,460	$ 612,460
Buildings	508,189	508,189
Equipment	62,966	62,966
Improvements other than buildings	246,600	246,600
Accumulated depreciation	(447,132)	(397,045)
Total	$ 983,083	$ 1,033,170

Long-Term Debt. At September 30, 2018, the Corporation has total bonds in Sales Tax Revenue Bonds. Further outstanding of $1,560,000 details can be found in the notes to the financial statements.

Other Commitments. By resolution of the Board of Directors, the Corporation committed funds to the City of Copperas Cove in the amount of at least $1,100,000 and not to exceed $1,650,000 in conjunction with debt issued by the City in 2011 to fund the TxDOT Reliever Route Project. The Corporation is making semi-annual payments to the City from August 15, 2011 through September 30, 2021.

Requests for Information

The financial report is designed to provide a general overview of the Corporation's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City's Finance Department at 914 S. Main Street, Copperas Cove, Texas 76522.

Basic Financial Statements

Copperas Cove Economic Development Corporation
Statement of Net Position
September 30, 2018

	Governmental Activities
ASSETS	
Cash and investments	$ 5,550,046
Taxes receivable	229,111
Prepaid items	4,439
Capital assets	
Land	612,460
Buildings	508,189
Improvements other than buildings	246,600
Equipment	62,966
Accumulated depreciation	(447,132)
Total assets	6,766,679
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions	70,672
Total deferred outflows of resources	70,672
LIABILITIES	
Accounts payable	79,847
Payroll liabilities	2,950
Accrued interest payable	7,288
Noncurrent liabilities	
Due within one year	95,000
Due in more than one year	1,656,954
Total liabilities	1,842,039
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pensions	12,319
Total deferred inflows of resources	12,319
NET POSITION	
Net investment in capital assets	983,083
Unrestricted	3,999,910
TOTAL NET POSITION	$ 4,982,993

The Notes to the Basic Financial Statements
are an integral part of this statement.

Copperas Cove Economic Development Corporation

Statement of Activities
Year Ended September 30, 2018

Functions/Programs	Expenses	Program Revenue: Charges for Services	Program Revenue: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Total Governmental Activities
Governmental activities				
Economic development	$ 628,681	$ -	$ -	$ (628,681)
Interest on long-term debt	58,150	-	-	(58,150)
Total governmental activities	$ 686,831	$ -	$ -	(686,831)
General revenues				
Sales taxes				1,249,568
Unrestricted investment earnings				77,052
Gain on sale of land				34,643
Miscellaneous				401
Total general revenues				1,361,664
Change in net position				674,833
Net position, beginning of year				4,308,160
Net position, end of year				$ 4,982,993

The Notes to the Basic Financial Statements
are an integral part of this statement.

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Fund Financial Statements

Copperas Cove Economic Development Corporation
Governmental Funds
Balance Sheet
September 30, 2018

	General Fund
ASSETS	
Cash and investments	$ 5,550,046
Taxes receivable	229,111
Prepaid items	4,439
TOTAL ASSETS	$ 5,783,596
LIABILITIES AND FUND BALANCES	
Liabilities	
Accrued liabilities	$ 2,950
Accounts payable	79,847
Total liabilities	82,797
Fund balances	
Restricted for economic development	5,700,799
Total fund balances	5,700,799
TOTAL LIABILITIES AND FUND BALANCES	$ 5,783,596

The Notes to the Basic Financial Statements
are an integral part of this statement.

Copperas Cove Economic Development Corporation

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
September 30, 2018

Total fund balances - governmental funds balance sheet	$	5,700,799
Amounts reported for governmental activities in the statement of net position are different because		
Capital assets (net of accumulated depreciation of $447,132) used in governmental funds are not current financial resources and, therefore, are not reported in governmental funds.		983,083
Deferred outflows $70,672 and inflows $12,319 related to pensions are not recorded in governmental funds.		58,353
Interest payable on long-term liabilities is not considered due and payable and is not recorded in governmental funds.		(7,288)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds. These liabilities include:		
Revenue bonds payable		(1,560,000)
Compensated absences		(2,159)
Net pension liability		(187,067)
Net OPEB liability		(2,728)
Net position of governmental activities - statement of net position	$	4,982,993

The Notes to the Basic Financial Statements
are an integral part of this statement.

Copperas Cove Economic Development Corporation

Governmental Funds
Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds
Year Ended September 30, 2018

	General Fund
REVENUES	
Sales taxes	$ 1,249,568
Investment income	77,052
Miscellaneous revenues	401
Total revenues	1,327,021
EXPENDITURES	
Current	
Economic development	578,594
Debt service	
Principal	90,000
Interest	58,150
Total expenditures	726,744
EXCESS OF REVENUES OVER EXPENDITURES	600,277
OTHER FINANCING SOURCES	
Proceeds from sale of land	34,643
Total other financing sources	34,643
NET CHANGE IN FUND BALANCES	634,920
FUND BALANCES, beginning of year	5,065,879
FUND BALANCES, end of year	$ 5,700,799

The Notes to the Basic Financial Statements
are an integral part of this statement.

Copperas Cove Economic Development Corporation

Governmental Funds
Reconciliation of the Statement of Revenue, Expenditures and
Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended September 30, 2018

Net change in fund balances - total governmental funds	$	634,920
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report all capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the net impact of the current year depreciation expense ($50,087).		(50,087)
The repayment of principal long-term debt consumes the current financial resources of governmental funds. However, this has no effect on net position.		90,000
Change in net position of governmental activities - statement of activities	$	674,833

The Notes to the Basic Financial Statements
are an integral part of this statement.

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Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The Copperas Cove Economic Development Corporation (the Corporation) was organized by the City of Copperas Cove, Texas (the City) to account for a half-cent sales tax devoted to diversifying and strengthening the City's economy. The Corporation operates under the legislative authority of the State of Texas and is governed by the Development Corporation Act of 1979. The Corporation is a nonprofit corporation organized exclusively for the purpose of promoting, assisting and enhancing economic development activities of the City of Copperas Cove. The City Council appoints and can remove the Corporation's directors and approves its budget.

The Corporation is considered to be a component unit of the City of Copperas Cove, Texas for financial reporting purposes. Component units are entities for which a government is considered to be financially accountable. The basic criteria in defining a component unit are the governing body's ability to exercise oversight responsibility. Manifestations of this ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters.

The financial statements of the Corporation have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Corporation's accounting policies are described below.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the Corporation. For the most part, the effect of interfund activity has been removed from these statements. The government-wide statement of activities demonstrates the degree to which the direct expenses of given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges to customers who purchase, use or directly benefit from goods, services or privileges provided by a given function. Also included in program revenues are grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements. Separate fund based financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements. The Corporation does not have any proprietary or fiduciary funds.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are prepared using the accrual basis of accounting and the economic resources measurement focus. Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

The fund financial statements use the modified accrual basis of accounting and the current financial resources measurements focus. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Corporation considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Sales taxes and interest revenue are considered to be susceptible to accrual.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures as well as expenditures related to compensated absences, claims and judgements are recorded only when payment is due.

The Corporation reports the following major governmental fund:

General Fund. The General Fund is used to account for all funds that are not required to be accounted for in another fund.

D. Assets, Liabilities and Net Position or Equity

Deposits and Investments
The Corporation's cash and cash equivalents are considered to be cash on hand and demand deposits. The Corporation's investment balances consist of money market accounts in the form of demand deposits. Investments are made in accordance with the Investment Policy as amended by the Corporation to comply with the Public Funds Investment Act. This policy, which is applicable to all Corporation funds, permits investments in collateralized certificates of deposit, obligations of the U.S. Government or its agencies, obligations of the State of Texas or its agencies, other obligation unconditionally insured or guaranteed by the State or investments, negotiable orders of withdrawal, banker's acceptances, mutual funds, and obligations of other states, agencies, counties, cities or other political subdivisions with a rating of A or better from a nationally recognized investment rating firm.

Capital Assets
Property, plant and equipment purchased or acquired is carried at historical cost or estimated historical cost. Contributed capital assets are recorded at estimated fair market value at the time received. The costs of normal maintenance and repairs that do not add to the value of the asset, or materially extend asset lives, are not capitalized.

Capital assets of the Corporation are depreciated using the straight-line method over the following useful lives:

Assets	Years
Buildings	25
Furniture and equipment	7
Improvements	10

Long-Term Obligations
In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bond using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing uses.

Compensated Absences
The Corporation's vacation policy grants employees vacation depending on longevity. Accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it, which typically is the General Fund. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Pensions and other Post-employment Benefits
For purposes of measuring the net pension liability and net OPEB liability, related deferred outflows and inflows of resources, and pension expense City specific information about its Fiduciary Net Position in the applicable plans and additions to/deductions from the City's Fiduciary Net Position have been determined on the same basis as they are reported. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when the contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Information regarding the City's Total Pension Liability and OPEB Liability for life insurance benefits is obtained from TMRS through reports prepared for the City by TMRS consulting actuary, Gabriel Roeder Smith & Company, in compliance with applicable Governmental Accounting Standards Board (GASB) standards. Information regarding the City's OPEB liability for retiree healthcare benefits is obtained through reports prepared for the City by its consulting actuary, Gabriel Roeder Smith & Company, in compliance with applicable GASB standards.

Deferred Outflows/Inflows of Resources
In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Corporation has the following items that qualify for reporting in this category:

- *Pension and OPEB contributions after the measurement date* – these contributions are deferred and recognized in the following fiscal year.

- *Difference in projected and actual earnings on pension and OPEB assets* – this difference is deferred and amortized over a closed five year period

- *Difference in expected and actual pension and OPEB experience* – this difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.

In addition to liabilities, the statement of the financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statements element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Corporation has the following items that qualify for reporting in this category:

- *Difference in expected and actual pension experience* – this difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.

Fund Balance Classifications
The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Corporation is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- *Nonspendable*: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. Nonspendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.

- *Restricted*: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislations.

- *Committed*: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by board resolution of the Board of Directors, the Corporation's highest level of decision-making authority. These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

- *Assigned*: This classification includes amounts that are constrained by the Corporation's intent to be used for a specific purpose but are neither restricted nor committed. This classification includes amounts that are constrained by the Corporation's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Directors or Executive Director.

- *Unassigned*: This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Corporation considers restricted funds to have been spent first.

When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Corporation considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

Net Position Flow Assumption
Sometimes the Corporation will fund outlays for a particular purpose from both restricted (e.g., restricted bond) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Corporation's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Net Position
Net position represents the difference between assets, deferred outflows (inflows) of resources and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back any unspent proceeds. Net position is reported as restricted when there are limitations imposed on its use either through enabling legislations adopted by the Corporation or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments.

Use of Estimates
The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual amounts could differ from those estimates.

Note 2. Stewardship, Compliance and Accountability

A. Budgetary Information

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for all governmental funds.

The corporation follows these procedures in establishing budgetary data reflected in the financial statements:

1. Prior to August 15, the Corporation submits a proposed operating budget to the City Council for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.

2. Any revisions that alter the total expenditures of any fund must be adopted by the Corporation after a formal public hearing.

Note 3. Detailed Notes on all Funds

A. Deposits and Investments

All of the Corporation's demand depository accounts are held in a local banking institution under the terms of a written depository contract. At September 30, 2018, the entire amount of the bank balance at year-end was covered by federal depository insurance or by U.S. Government Securities held as collateral by the Corporation's agent in the Corporation's name.

The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the Corporation to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposit. Statutes authorize the Corporation to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas, (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, and (10) common trust funds.

B. Capital Assets

Capital asset activity for the year ended September 30, 2018, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities				
Capital assets, not being depreciated				
Land	$ 612,460	$ -	$ -	$ 612,460
Total assets not being depreciated	612,460	-	-	612,460
Capital assets, being depreciated				
Buildings	508,189	-	-	508,189
Equipment	62,966	-	-	62,966
Improvements other than buildings	246,600	-	-	246,600
Total capital assets being depreciated	817,755	-	-	817,755
Less accumulated depreciation				
Buildings	178,250	20,331	-	198,581
Equipment	46,175	5,096	-	51,271
Improvements other than buildings	172,620	24,660	-	197,280
Total accumulated depreciation	397,045	50,087	-	447,132
Total capital assets being depreciated, net	420,710	(50,087)	-	370,623
Governmental activities capital assets, net	$ 1,033,170	$ (50,087)	$ -	$ 983,083

Depreciation expense was charged entirely to the economic development function on the statement of activities.

C. Fund Balance

As of September 30, 2018, governmental fund balance is composed of the following:

Fund Balance Classification	General Fund
Restricted	
Economic development	$ 5,700,799
Total governmental fund balance	$ 5,700,799

D. Long-term Debt

A summary of general long-term debt, including current portion, for the year ended September 30, 2018, is as follows:

	Balance 10/01/17	Additions	Deletions	Balance 09/30/18	Due Within One Year
Bonds payable	$ 1,650,000	$ -	$ 90,000	$ 1,560,000	$ 95,000
Compensated absences	2,159	-	-	2,159	-
Net pension liability	187,067	-	-	187,067	-
Net OPEB liability	2,728	-	-	2,728	-
Total	$ 1,841,954	$ -	$ 90,000	$ 1,751,954	$ 95,000

In fiscal year 2001, the Corporation issued $1,000,000 in Series 2001 Sales Tax Revenue Bonds, at an interest rate of 5.98% for the construction of a building. These bonds are scheduled to mature in August 15, 2021.

In fiscal year 2013, the Corporation issued $1,500,000 in Series 2012 Sales Tax Revenue Bonds, at an interest rate of 3.12%, for the purpose of installing infrastructure such as water and wastewater facilities to promote new and expanded business enterprises in the City of Copperas Cove.

Annual debt service requirements to maturity for the bonds are as follows:

Year Ending September 30,	Principal	Interest
2019	$ 95,000	$ 53,774
2020	100,000	49,096
2021	100,000	44,261
2022	110,000	39,426
2023-2027	605,000	143,524
2028-2031	550,000	43,634
Total	$ 1,560,000	$ 373,715

E. Risk Management

The Corporation carries commercial insurance for liability, property, workers' compensation, and employee dishonesty risks. Employee health and accident insurance is provided by the City of Copperas Cove, Texas, for the insurance premiums for its employees.

F. Defined Benefit Pension Policies

The Corporation is an integral part of the City and as such, provides benefits to its full-time employees through the City's retirement plan. The following covers the City's retirement plan as a whole, unless indicated otherwise.

Plan Descriptions. The City participates as one of 866 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agency multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Sections 401(a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.tmrs.com.

All eligible employees of the City are required to participate in TMRS. Employees of the Corporation also participate in the City's TMRS plan, however management has determined that due to the relative immateriality of the Corporation's portion of the net pension liability, amounts allocable to the Corporation have not been excluded from these disclosures.

Benefits Provided. TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the City-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in over seven payment options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

The City has approved an annually repeating (automatic) basis monetary credit referred to as an updated service credit (USC) which is a theoretical amount which takes into account salary increases or plan improvements. If at any time during their career an employee earns a USC, this amount remains in their account earning interest at 5% until retirement. At retirement, the benefit is calculated as if the sum of the employee's accumulated contributions with interest and employer match plus employer-financed monetary credits, such as USC, with interest were used to purchase an annuity. Additionally, the City provides, on an annually repeating (automatic) basis, cost of living adjustments (COLA) for retirees equal to a percentage of the change in the consumer price index (CPI).

A summary of plan provisions for the City are as follows:

Employee deposit rate	6.0%
Matching ratio (City to Employee)	2 to 1
Years required for vesting	Five
Service retirement eligibility	20 years to any age, five years at age 60 and above
Updated service credit	100% repeating
Annuity increase to retirees	70% of CPI, repeating

Employees Covered by Benefit Terms
At the December 31, 2017 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficaries currently receiving benefits	213
Inactive employees entitled to but not yet receiving benefits	222
Active employees	252
	687

Contributions. The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the City matching percentages are 100%, 150%, or 200%, both as adopted by the governing body of the City. Under the state law governing TMRS, the contributions rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the City were required to contribute 6.0% of their annual gross earnings during the fiscal year. The contribution rates for the City were 12.52% and 12.52% in calendar years 2018 and 2017, respectively. The City's contributions to TMRS for the year ended September 30, 2018 were $1,441,457 and equal to the required contributions.

Net Pension Liability. The City's Net Pension Liability (NPL) was measured as of December 31, 2017, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions
The Total Pension Liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions:

- *Inflation rate*: 2.5% per annum
- *Payroll growth rate*: 3.00% per annum
- *Investment rate of return*: 6.75% net of expenses

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment, with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment are used with males rates multiplied by 109% and female rates multiplied by 103% with a three year set-forward for both males and females. In addition, a 3% minimum mortality rate is applied to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements subject to the 3% floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four year period from December 31, 2010 to December 31, 2014. They were adopted in 2015 and first used in the December 31, 2015 actuarial valuation. The post-retirement mortality assumption for healthy annuitants and Annuity Purchase Rate (APRs) are based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. In conjunction with these changes first used in the December 31, 2013 valuation, the System adopted the Entry Age Normal actuarial cost method and a one-time change to the amortization policy. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, the actuary focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). The target allocation and best estimates of real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return (Arithmetic)
Domestic equity	17.5%	4.55%
International equity	17.5%	6.35%
Core fixed income	10.0%	1.00%
Non-core fixed income	20.0%	4.15%
Real return	10.0%	4.15%
Real estate	10.0%	4.75%
Absolute return	10.0%	4.00%
Private equity	5.0%	7.75%
Total	100.0%	

Discount Rate
The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in the statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the Total Pension Liability.

Changes in the Net Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balance at December 31, 2016	$57,819,426	$48,733,355	$9,086,071
Charges for the year			
Service cost	1,634,469	-	1,634,469
Interest	3,879,541	-	3,879,541
Difference between expected and actual experience	(523,669)	-	(523,669)
Changes in assumptions	-	-	-
Contributions, employer	-	1,411,274	(1,411,274)
Contributions, employee	-	686,752	(686,752)
Service cost	-	6,752,596	(6,752,596)
Benefit payments, including refunds of employee contributions	(2,323,947)	(2,323,947)	-
Administrative expense	-	(35,004)	35,004
Other changes	-	(1,774)	1,774
Balance at December 31, 2017	$ 60,485,820	$ 55,223,252	$ 5,262,568
Corporation's portion at December 31, 2017			$ 187,067

Sensitivity of the Net Pension Liability to Changes in the Discount Rate
The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	1% Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
City's net pension liability	$ 14,418,769	$ 5,262,568	$ (2,146,195)
Corporation's portion	370,615	187,067	50,208

Pension Plan Fiduciary Net Position
Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report. The report may be obtained on the internet at www.tmrs.com.

Pension Expense and Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions. For the year ended September 30, 2018, the City recognized pension expense of $1,128,870.

At September 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$ -	$ (740,351)
Difference between projected and actual investment earnings	-	(2,105,879)
Differences in assumptions	17,368	-
Contributions subsequent to the measurement date	1,044,404	-
Total	$ 1,061,772	$ (2,846,230)

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date of $1,044,404 will be recognized as a reduction of the net pension liability for the measurement year ending December 31, 2018 (i.e. recognized in the City's financial statements September 30, 2019). Other amounts reported as deferred outflows and inflows or resources related to pensions will be recognized in pension expenses as follows:

For the Years Ended September 30,	
2019	$ (265,261)
2020	(261,489)
2021	(843,350)
2022	(766,144)
2023	(692,618)
Total	$ (2,828,862)

G. Other Post-Employment Benefits (OPEB)

The Corporation's employees participate in the City of Copperas Cove's OPEB plans, including Life Insurance Benefits and Post-Employment Healthcare. The Corporation's proportionate share of the City's net OPEB liability as of September 30, 2018 was $2,728, representing less than 1% of the City's net OPEB liability. Detailed information about the OPEB plans and liability of the City as a whole is available in the City's separately-issued comprehensive annual financial report, which may be obtained on the internet at www.ci.copperas-cove.tx.us. A summary of the plans follows:

Post-Employment Healthcare Plan
The City has established a medical insurance benefit plan for retirees. The City administers this single-employer defined benefit medical plan (the Retiree Medical Plan). The Retiree Medical Plan does not issue a publicly available financial report. Eligible retirees will be provided medical insurance benefits at a set premium rate based on City service at the time of retirement. Eligible retirees may also cover their eligible dependents. Retirees are responsible for paying the premiums. A retiree is defined as someone who is receiving lifetime monthly TMRS retirement pension benefits and who retired directly from active employment with the City. The City will stop insurance coverage on the retiree and dependent on the last day of the month when one of the following occurs: 1) the retiree reaches age 65; or 2) the retiree fails to submit the required set premium rate.

Life Insurance Benefits
TMRS administers a defined benefit group-term life insurance plan known as the Supplemental Death Benefits Fund (SDBF). This is a voluntary program in which participating member cities may elect, by ordinance, to provide group-term life insurance coverage for their active members, including or not including retirees. It is considered to be a single-employer plan. The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The City may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year, to be effective the following January 1.

H. Commitments

During 2011, the Corporation entered into an agreement with the City of Copperas Cove, in which the Corporation committed funds to be given to the City and used for the TXDOT Reliever Route Infrastructure project in an amount no less than $1,100,000 and no more than $1,650,000. These funds will be used by the City to make principal and interest payments on the debt issued in 2011 in conjunction with this project. Payments are scheduled to be made until August 15, 2021. In fiscal year 2018, $132,150 was paid to the City for this commitment. The payment schedule is presented below:

Year Ending September 30,	Portion Attributable to Principal	Interest	Total Payment
2019	$ 120,000	$ 13,125	$ 133,125
2020	125,000	8,925	133,925
2021	130,000	4,550	134,550
Total	$ 375,000	$ 26,600	$ 401,600

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Required Supplementary Information

Copperas Cove Economic Development Corporation

General Fund
Schedule of Revenues, Expenditures and Changes
in Fund Balance – Budget and Actual
For the Year Ended September 30, 2018

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Sales taxes	$ 1,237,787	$ 1,237,787	$ 1,249,568	$ 11,781
Investment income	76,418	76,418	77,052	634
Miscellaneous revenues	401	401	401	-
Total revenues	1,314,606	1,314,606	1,327,021	12,415
EXPENDITURES				
Current				
Economic development	1,640,199	2,460,869	578,594	1,882,275
Debt services	148,297	148,297	148,150	147
Total expenditures	1,788,496	2,609,166	726,744	1,882,422
EXCESS (DEFIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(473,890)	(1,294,560)	600,277	1,894,837
OTHER FINANCING SOURCES				
Sale of capital assets	34,643	34,643	34,643	-
Total other financing sources	34,643	34,643	34,643	-
NET CHANGE IN FUND BALANCES	(439,247)	(1,259,917)	634,920	1,894,837
FUND BALANCE, beginning of year	5,065,879	5,065,879	5,065,879	-
FUND BALANCE, end of year	$ 4,626,632	$ 3,805,962	$ 5,700,799	$ 1,894,837

Copperas Cove Economic Development Corporation

Required Supplementary Information
Texas Municipal Retirement System
Schedule of the Corporation's Proportionate Share of the
Net Pension Liability*

	Measurement Year 2017	Measurement Year 2016	Measurement Year 2015	Measurement Year 2014
Total pension liability				
Service cost	$ 1,634,469	$ 1,622,451	$ 1,495,238	$ 1,410,662
Interest (on the total pension liability)	3,879,541	3,689,620	3,637,340	3,470,336
Difference between expected and actual experience	(523,669)	(298,002)	(622,765)	(578,465)
Changes of assumptions	-	-	121,574	-
Benefit payments, including refunds of employee contributions	(2,323,947)	(2,088,899)	(1,903,036)	(2,015,046)
Net change in total pension liability	2,666,394	2,925,170	2,728,351	2,287,487
Total pension liability, beginning of year	57,819,426	54,894,256	52,165,905	49,878,418
Total pension liability, end of year (a)	$ 60,485,820	$ 57,819,426	$ 54,894,256	$ 52,165,905
Plan fiduciary net position				
Contributions, employer	$ 1,411,274	$ 1,407,493	$ 1,351,607	$ 1,352,470
Contributions, employee	686,752	686,026	643,113	640,477
Net investment income	6,752,596	3,086,727	67,231	2,468,151
Benefit payments, including refunds of employee contributions	(2,323,947)	(2,088,899)	(1,903,036)	(2,015,046)
Administrative expense	(35,004)	(34,864)	(40,950)	(25,768)
Other	(1,774)	(1,878)	(2,023)	(2,119)
Net change in plan fiduciary net position	6,489,897	3,054,605	115,942	2,418,165
Plan fiduciary net position, beginning of year	48,733,355	45,678,750	45,562,808	43,144,643
Plan fiduciary net position, end of year (b)	$ 55,223,252	$ 48,733,355	$ 45,678,750	$ 45,562,808
Net pension liability, end of year (a) - (b)	$ 5,262,568	$ 9,086,071	$ 9,215,506	$ 6,603,097
Plan fiduciary net position as a percentage of total pension liability	91.30%	84.29%	83.21%	87.34%
Covered payroll	$ 11,445,864	$ 11,433,764	$ 10,718,552	$ 10,674,610
Net pension liability as a percentage of covered payroll	45.98%	79.47%	85.98%	61.86%
Corporation's proportionate share of the net pension liability	$ 187,067	$ 187,067	$ 187,067	$ 145,268
Corporation's proportion of the net pension liability	3.55%	2.06%	2.03%	2.20%

*This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Copperas Cove Economic Development Corporation

Required Supplementary Information
Texas Municipal Retirement System
Schedule of the Corporation's Contributions*

Fiscal Year Ended September 30,	Contractually Required Contribution	Actual Contribution	Contribution Deficiency (Excess)
2018	$ 13,213	$ 13,213	$ -
2017	22,496	22,496	-
2016	21,643	21,643	-
2015	28,801	28,801	-

Notes to the Schedule of the Corporation's Contributions

Actuarially determined contribution rates are calculated as of December 31 and become effective in January, 13 months later.

Methods and Assumptions used to Determine Contribution Rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	28 years
Asset valuation method	10-Year smoothed market; 15% soft corridor
Inflation	2.50%
Salary increases	3.50% to 10.5% including inflation
Investment rate of return	6.75%
Retirement age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2015 valuation pursuant to an experience study of the period 2010-2014.
Mortality	RP2000 Combining Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB.

Other Information:

Notes	There were no benefit changes during the year.

*This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Board of Directors of
Copperas Cove Economic Development Corporation
Copperas Cove, Texas

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of Copperas Cove Economic Development Corporation (the Corporation) as of and for the year ended September 30, 2018, and the related notes to the basic financial statements, which collectively comprise the Corporation's basic financial statements, and have issued our report thereon dated June 17, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Corporation's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Corporation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be protected under *Government Auditing Standards*.

The Board of Directors of
Copperas Cove Economic Development Corporation

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Austin, Texas
June 17, 2019

Economic Development Corporation **H.2.**

Meeting Date: June 26, 2019

Contact: Jonas Titas

Subject:

Discussion and consideration on submitting the FY 2019-2020 Proposed Budget to the City of Copperas Cove City Council. **Jonas Titas, Executive Director, Copperas Cove EDC**

Description/Information:
The Executive Director is pleased to present the FY 2019-2020 Proposed Budget.

- Staff is expected to decrease from the 5.5 allowed/funded positions to 3 funded positions.
- A land exchange is expected to occur in this Fiscal Year.
- There is an increase in the maintenance of the Narrows Technology and Business Park due to the land being cleared. In addition, during the last budget year, it was maintained by the City Parks and Recreation Department.

The Executive Director for the EDD is required to prepare an itemized budget to cover the proposed expenditures of the EDC for each upcoming fiscal year (FY). Article V, Section 7 of the CCEDC's Bylaws state that the proposed budget is to be submitted to the Board 90 days prior to adoption.

The proposed Budget is scheduled to be presented to City Council on July 2, 2019.

Financial Impact:

Action/Recommendations:

CCEDC staff recommends the Board approve EDC staff to present the Proposed Budget to City Council on July 2, 2019.

Attachments:

FY 2019/2020 Proposed Budget

Economic Development Corporation **H.3.**

Meeting Date: June 26, 2019

Contact: Velia Key, Director of Financial Services.

Subject:
Consideration and action on approving the unaudited financial report of the Copperas Cove Economic Development Corporation for the month of May 2019. **Velia Key, Director of Financial Services**

Description/Information:
The Financial report for May 2019 has been prepared by the Finance Department as per the agreement between the CCEDC and the City. The report is attached for review by the Board.

Financial Impact:
See the attached unaudited financial report.

Action/Recommendation:
EDC staff recommends the Board approved the unaudited financial report for May 2019 as presented by Velia Key, Director of Financial Services.

Attachments:

May 2019 Unaudited Financial Report

City of Copperas Cove

"The City Built for Family Living" Finance Department

June 17, 2019

Mayor, City Council Members and Board of Directors of the Copperas Cove Economic Development Corporation:

The Finance Department is pleased to submit the Unaudited Monthly Financial Report for the month of May 2019. The Finance Department performs all financial services for the Economic Development Corporation. The month of May includes three payroll runs for the employees. The employees received their payroll checks on May 3, 2019, May 17, 2019, and May 31, 2019. Total expenditures for the month of May 2019, include 24 disbursements to various vendors. All supporting documentation is available for review at the City's Finance Department.

As of May 31, 2019, the Economic Development Corporation investment portfolio consisted of bank deposits with National United Bank and Texpool. Total cash available at month end was $6,145,429. Interest earned during this month equals to $11,617, which is an increase of $4,151 in comparison to $7,466 earned in prior year 2018.

We anticipate regular monitoring of the Economic Development Corporation's financial position and we will continue to provide the City Council and the Board of Directors with information that is useful for making sound policy decisions.

Respectfully submitted,

Velia Key- Dir. of Financial Services

Copperas Cove Economic Development Corporation

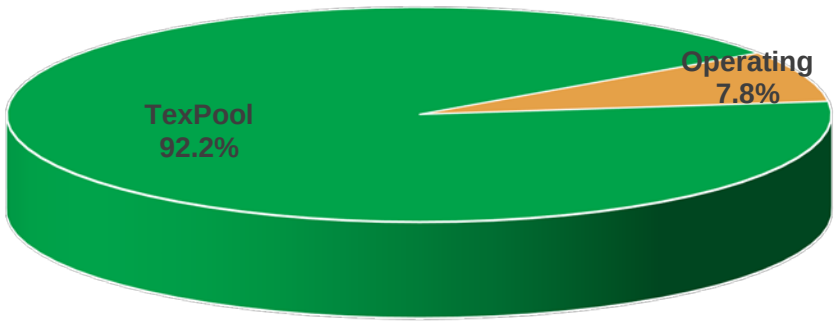
Portfolio Summary Management Report
For the Month Ended May 31, 2019

All cash balances were deposited at National United Bank and TexPool

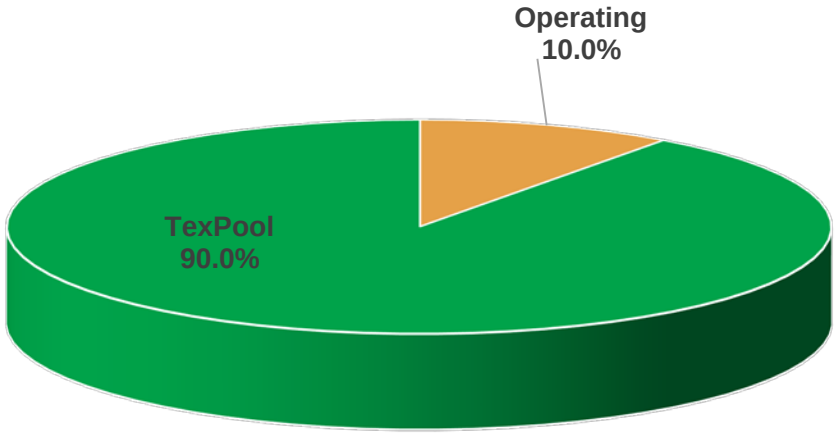
Portfolio as of May 31, 2018		*Portfolio as of May 31, 2019*	
Operating Account……	$430,173	Operating Account……	$615,971
Texpool……	$5,097,801	TexPool Account……..	$5,529,458

Copperas Cove Economic Development Corporation
Portfolio Allocation Analysis

Fiscal Year 2017-18
May 2018



Fiscal Year 2018- 2019
May 2019



Copperas Cove Economic Development Corporation
Unaudited Financial Report
May 31, 2019

OPERATING REVENUES AND EXPENDITURES

- Year-to-date total revenue exceeded expenditures by $661,713.
- Total Sales Tax Allocation received from the City was $124,723.
- Interest earnings received for the month of May were $11,617.
- Total Operating and Debt Service Expenditures for the month of May amount to $39,904.
- Salary and benefits for the month of May 2019 amounted to $31,350. This amount includes the salaries and benefits for three full time employees.
- The A/P runs during the month of May 2019 include the following disbursements:

Check #	Payee	Amount	Description
000317	Cali Signs & Graphics	$170.00	Office sign & bulletin board
000318	TXU Energy	$298.04	Service Period 3/26/19-4/24/19
000319	The Knight Law Firm	$402.50	March Invoice
000320	TBS	$200.00	Website maintenance
000321	Gregory A. Harn	$65.00	Lawn Service
000322	The Daisy	$52.95	Adm. Appreciation Day
000323	City of Copperas Cove	$772.87	March Invoice
000324	City of Copperas Cove	$573.28	Medical Benefits
000325	City of Copperas Cove	$1,541.95	TMRS
000326	Fathom	$36.33	Service Period: 04/01/19-5/01/19
000327	United Way	$10.00	EE Contribution
000328	TEDC	$850.00	Membership Renewal & Mid-Year Conference
000329	Larry Letzer	$75.00	Board Member Portrait
000330	Gregory A. Harn	$77.46	Lawn Service
000331	Card Service Center	$2,691.08	Prof. Dev. Advertisement, furniture &

			community relations
000332	CenturyLink	$208.63	Service Period: 05/10/19-06/09/19
000333	Pristine Building Maintenance	$349.56	Monthly Cleaning Services
000334	Spectrum	$115.42	Service Period: 05/12/19-06/11/19
000335	Killeen Pest Control	$55.00	Monthly Services
000336	Inhouse System Inc	$39.99	Monthly Services
000337	ESESIS	$2,062.00	Asbestos inspection
000338	Centex Technologies	$42.50	PC Installation
000339	Konica Minolta	$46.86	Service Period: 4/24/19-5/23/19
000340	City of Copperas Cove	$1,527.42	TMRS

ECONOMIC DEVELOPMENT CORPORATION
MONTHLY FINANCIAL REPORT
AS OF MAY 31, 2019 (FY 2018-2019)

Description	Current Budget	Current Month May. 2019	Total Year to Date
BEGINNING FUND BALANCE			
Unassigned	$ 5,700,796	$ 6,266,073	$ 5,700,796
TOTAL BEG. FUND BALANCE	$ 5,700,796	$ 6,266,073	$ 5,700,796
REVENUES:			
Taxes			
Sales Tax	$ 1,279,871	$ 124,723	$ 868,705
Subtotal Taxes	$ 1,279,871	$ 124,723	$ 868,705
Investment Earnings			
Interest Revenue	$ 46,800	$ 11,617	$ 86,482
Subtotal Investment Earnings	$ 46,800	$ 11,617	$ 86,482
TOTAL REVENUES	$ 1,326,671	$ 136,340	$ 955,187
TOTAL FUNDS AVAILABLE	$ 7,027,467	$ 6,402,413	$ 6,655,983
EXPENDITURES			
Administration			
Personnel Services			
Salaries	$ 280,205	$ 25,016	$ 77,401
Longevity	361	33	177
Fica Tax	21,463	1,923	5,749
Employee Insurance	29,304	536	3,841
Workers Compensation	856	-	-
Retirement	35,723	3,126	9,723
Other Personnel Expenses	14,480	716	2,251
Total Personnel Services	$ 382,392	$ 31,350	$ 99,142
Supplies & Materials			
Office Supplies	$ 1,377	$ 240	$ 1,377
Cleaning Supplies	180	-	58
Printing Cost	1,400	217	753
Postage	400	-	192
Recruiting/Hiring Cost	24,784	931	19,859
Furniture & Fixture	2,474	368	2,473
Total Supplies & Materials	$ 30,615	$ 1,756	$ 24,712
Maintenance & Repairs			
Repair & Maintenance Building	$ 6,700	$ 615	$ 3,997
Repair & Maintenance Facility	350	-	350
Repair & Maintenance software	17,928	52	17,926
Total Maintenance & Repairs	$ 24,978	$ 667	$ 22,273

ECONOMIC DEVELOPMENT CORPORATION
MONTHLY FINANCIAL REPORT
AS OF MAY 31, 2019 (FY 2018-2019)

Description	Current Budget	Current Month May. 2019	Total Year to Date
Expenditures (cont.)			
Contractual Services			
Consulting Services	$ 36,000	$ 403	$ 10,445
Bank Analysis Charge	1,200	-	-
Communication	3,851	324	3,848
Rental of Equipment	2,004	-	1,201
Rental of Property	19,200	-	11,200
Dues & Subscription	5,500	500	4,588
Contract Labor	2,200	200	2,200
Professional Development	21,200	561	7,541
Professional Services	7,700	364	364
Provided City Services	15,970	773	5,662
Utilities	5,400	334	2,841
Total Contractual Services	$ 120,225	$ 3,459	$ 49,890
Designated Expenses			
Insurance	$ 8,327	$ -	$ 5,199
Public Relations	4,750	345	3,614
Total Designated Expenses	$ 13,077	$ 345	$ 8,813
TOTAL ADMINISTRATION EXPENDITURES	$ 571,287	$ 37,577	$ 204,830
Non-Departmental			
Supplies & Materials			
Program/Project Supply	$ 4,200	$ -	$ 28
Total Supplies & Materials	$ 4,200	$ -	$ 28
Contractual Services			
Advertising	$ 5,400	$ 80	$ 1,361
Dues and Subscriptions	7,750	-	7,750
Contract Labor	1,698	43	1,698
Business Attraction	85,725	-	1,014
Professional Services	51,000	2,204	43,348
Total Contractual Services	$ 151,573	$ 2,327	$ 55,171
Capital Outlay			
Land	$ 2,000,000	$ -	$ -
Total Capital Outlay	$ 2,000,000	$ -	$ -
TOTAL NON-DEPARTMENTAL EXPENDITURES	$ 2,155,773	$ 2,327	$ 55,199

ECONOMIC DEVELOPMENT CORPORATION
MONTHLY FINANCIAL REPORT
AS OF MAY 31, 2019 (FY 2018-2019)

Description	Current Budget	Current Month May. 2019	Total Year to Date
Expenditures (cont.)			
Debt Service			
Capital Outlay			
Reliever Route Infrastructure	$ 133,125	$ -	$ 6,563
Total Capital Outlay	$ 133,125	$ -	$ 6,563
Other			
Principal 01 Sales Tax	$ 60,000	$ -	$ -
Principal 12 Sales Tax	35,000	-	-
Interest 01 Sales Tax	10,764	-	5,377
Interest 12 Sales Tax	43,012	-	21,505
Total Other	$ 148,776	$ -	$ 26,882
TOTAL DEBT SERVICE EXPENDITURES	$ 281,901	$ -	$ 33,445
TOTAL EXPENDITURES	$ 3,008,961	$ 39,904	293,474
ENDING FUND BALANCE	$ 4,018,506	$ 6,362,509	$ 6,362,509

Economic Development Corporation **H.4.**

Meeting Date: June 26, 2019

Contact: Velia Key, Director of Financial Services.

Subject:
Consideration and action on authorizing the release of funds to the City of Copperas Cove for charges to the CCEDC for services rendered, as agreed upon, by various City employees for the month of May, 2019. **Velia Key, Director of Financial Services**

Description/Information:
Effective October 1, 2018, the CCEDC transitioned away from being under the direction of the City Manager. The CCEDC and the City have an agreement to pay City staff for services performed, to include the financials. Furthermore, several members of City staff performed services directly benefiting the CCEDC and its operations during the month of May 2019. State law requires the CCEDC to reimburse the City for services rendered on behalf of the Corporation.

Financial Impact:
The invoice is attached for Board review represents hours for services performed by City Staff as per an agreement between the CCEDC and the City. The total invoiced amount is $698.13 for the month of May 2019.

Action/Recommendation:
EDC staff recommends the Board authorize the release of funds to the City for services rendered directly benefiting the CCEDC during the month of May 2019.

Attachments:

EDC May 2019 Invoice

INVOICE

REMIT TO: CITY OF COPPERAS COVE, TX
P.O. BOX 1449
COPPERAS COVE, TX 76522-2241
PHONE (254) 547-4221

ECONOMIC DEVELOPMENT CORPORATION
113 W. AVE D
COPPERAS COVE, TX 76522

INVOICE# 201905
INVOICE DATE 6/10/2019

CHARGE DETAIL

ITEM DESCRIPTION	AMOUNT	
MAY 2019 HOURS WORKED	$	698.13

HOURS WORKED IN THE MONTH OF MAY FOR THE FOLLOWING PERSONNEL: VELIA KEY 9 HRS; STEPHANIE POTVIN 1.25 HRS; ROBERT BROWNING 1.5 HRS; REBECCA MARTINEZ .5 HRS; SILVIA RHOADS 3.75 HRS.

TOTAL DUE	$	698.13