



The City of Liberty Hill

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LHEDC BOARD OF DIRECTORS' BUDGET WORKSHOP MINUTES

THURSDAY – JULY 12, 2018 – 2:00 PM

Liberty Hill Learning & Event Center – 14933 State Highway 29

CALL TO ORDER

Liberty Hill Economic Development Corporation Board of Directors' Budget Workshop was called to order at 2:02 PM by Joh Clark - Vice President. **Members Present:** Bill Chapman; John Clark; Johnny Johnston; Eric Bailey; Chad Pirtle; Jamie Etzkorn and Jack Harkrider. Quorum was met. **Staff Present:** Lance Dean; Michel Sorrell; Greg Boatright; Barbara Zwernemann.

WORKSHOP

Bill Chapman – President of LHEDC explained that this workshop is intended to review the LHEDC Budget for FY 2018-2019.

Lance Dean – Executive Director of LHEDC reviewed changes made to the budget compared to last fiscal year's. Under PERSONNEL, TRAINING, Mr. Dean changed the amount from \$5,000 to \$7,500 to allow for additional training and associated travel. Mr. Dean explained that if additional funds were needed for training or travel reimbursement, funds could be drawn from the BUSINESS DEVELOPMENT line item.

Bill Chapman questioned the SALARY line item and Lance Dean responded that if that number changes, a budget amendment would be made.

The PROFESSIONAL FEES line item under CONTRACTUAL SERVICES was adjusted from \$8,000 to \$7,000.

The SPONSORSHIPS line item was adjusted from \$35,000 to \$30,000.

Johnny Johnston – Secretary stated that the goal of sponsorships is to give a good start to someone or toward an event but then to wean them off of sponsorships. There was discussion of sponsorship parameters noting the importance of events that actually bring people to town, especially with regard to the Sculpture Festival's request for \$20,000. The Board discussed how best to communicate the parameters and how to address needs without doing too much.

The Board wants to avoid the pitfalls from last year. There was discussion of last year's Christmas event and how EDC funds were used by the Council.

The Board wishes to develop Guidelines and notify perennial requestors to present requests by a certain deadline so EDC can respond within their budget.

The Board discussed the hotel tax. Michel Sorrell – Finance Director said that cities are “very restricted” in what the revenues can be used for. Liz Rundzieher, Ex Officio member of LHEDC, suggested that until the requested receipts from last year are turned in, that LHEDC would be unwilling to discuss further sponsorships.

Regarding the ADVERTISING line item, Bill Chapman wants to have a very organized plan for advertising the City. He would like to hire the company that produced the tag line and logo for the City to plan an aggressive campaign for outgoing advertising of the City, branding both the City and the LHEDC. He would like to have a CD to mail out as advertisement.

Jamie Etkorn – Board member, questioned the Advertising vs the Business Development line items. Lance Dean said that these can sometimes bleed over. There was discussion of the \$16,000 spent last year in advertising. Mr. Dean explained that the LHEDC was setting the groundwork to now build a website, etc.

Upon questioning, Michel Sorrell stated that the City has approximately \$900,000 in their total fund balance.

Mr. Dean explained that Capital Improvement Projects (CIP) have been contributed to but that that needs to be curtailed or EDC will “go broke”.

Chad Pirtle stated that the EDC and the City should spend money to actively pursue a grocery store. There was discussion as to how to move forward on that.

Lance Dean discussed the CIP expenditures as economic drivers. The downtown streets and drainage were in need of being brought up to standard. Michel Sorrell stated that as the infrastructure from City projects is realized, the City will have the credit worthiness to issue debt and see a return on that investment in ~3-5 years. Eventually the LHEDC’s fund balance could be used to issue debt for its own larger projects.

There was discussion of the City’s relative good standing as far as funds balance and whether or not LHEDC is really needed to contribute. Lance Dean stated that the EDC “should have a reserve built into their budget as well”. Michel Sorrell stated that the LHEDC needed to determine which Capital Improvement Projects they wish to support.

ADJOURNMENT

The Workshop was adjourned at 3:50 PM.

/s/ Johnny Johnston

JOHNNY JOHNSTON

Secretary

City of Liberty Hill Economic Development Corporation

ATTEST:

/s/ Barbara Zwernemann
BARBARA ZWERNEMANN
City Secretary
City of Liberty Hill