

Development Corporation of Mercedes, Inc.

Agenda

July 23, 2020 at 11:30AM

320 S. Ohio

Development Corporation of Mercedes, Inc.

Agenda

July 23, 2020 11:30AM

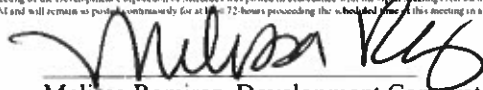
320 S Ohio

NOTICE, is hereby given that the Development Corporation of Mercedes, Inc. will be holding a **VIRTUAL Special Called Meeting on Thursday, July 23, 2020 at 11:30AM** at URL: <https://global.gotomeeting.com/join/512135101> /PHONE: 1 877 309 2073 / ACCESS CODE: 512-135-101, for the purpose of considering and taking formal action regarding the following items:

1. Call meeting to order
2. Discussion and Action: Minutes for June 25, 2020
3. Discussion and Action: Financial Report for June 2020
4. Discussion: FY19-20 Budget
5. Discussion and Action: TXCLASS Transfer of Funds
6. Discussion and Action: DCM Bylaws Amendment, Article III Directors 3.03 and 3.09
7. Discussion and Action: City Manager Advisory Board
8. Executive Session: Section 551.071: pending legal issues with and on any regular agenda item requiring confidential, attorney-client advice necessitated by the deliberation or discussion of said item as needed.
9. Discussion and Action: item #8
10. Adjournment

The Board of Directors reserves the right to go into Executive Session at any time during the meeting to consult with its attorney in accordance with Section 551.071, deliberate the purchase or sale of real property in accordance with Section 551.072, deliberate personnel matters in accordance with Section 551.074, and/or deliberate economic development negotiations in accordance with Section 551.075. This notice is given in accordance with Vernon's Texas Code Annotated, Texas Government Code, Section 551.001 et seq. I hereby certify this Notice of a Meeting of the Development Corporation of Mercedes was posted in accordance with the Open Meetings Act on the outside bulletin board at City Hall of the City of Mercedes, located at 400 S Ohio, visible and accessible to the general public during and after working hours. This notice was posted on the 17th day of July 2020 at 4:00PM and will remain so posted continuously for at least 72 hours preceding the scheduled time of this meeting in accordance with Chapter 551 of the Texas Government Code.

ATTEST:



Melissa Ramirez, Development Corporation of Mercedes

1. Call meeting to order

2. Discussion and Action: Minutes for June 25, 2020

Development Corporation of Mercedes, Inc.
Virtual Special Called Meeting
Thursday, June 25, 2020 11:30AM
globalgotomeetings.com

Board Members Present:

Fred Gonzalez – President
Joe Flores – Vice President
Roel Villanueva- Member
David Garza – Member

Board Members Absent:

Tony Garza – Treasurer
Jaime Gonzales – Secretary
Manuel Garza– Member

EDC Staff Present:

Melissa Ramirez – Executive Director
Rose Saenz – Administrative Coordinator

City Staff Present:

Mark Sossi – DCM Interim Attorney
Anthony Troiani – DCM Interim Attorney

Others Present:

Rudy Salinas – Givilancz & Martinez

1. Call Meeting to order

Fred Gonzalez called the meeting to order at 11:34 AM.

2. Discussion and Action: Minutes for June 6, 2020 and June 11, 2020

David Garza motioned to approve the June 6, 2020 and June 11, 2020 Minutes as presented.
Seconded by Roel Villanueva. All voted aye.

3. Discussion and Action: Financial Report for May 2020

David Garza motioned to approve the May 2020 Financial Report as presented. Seconded by Roel Villanueva. All voted aye.

4. Executive Session: Section 551.087: Economic development negotiations with Project Reynoso, Project R. Galvan and Project Salsa and Section 551.071: pending legal issues with Texas Valley Communities Foundation and on any regular agenda item requiring confidential, attorney-client advice necessitated by the deliberation or discussion of said item as needed.

The Board went into Executive Session at 11:43 AM

The Board went into Open Session at 12:34 PM

5. Discussion and Action: item#4

David Garza motioned to approve deferment of loan payments for six months on Project Reynoso. Seconded by Joe Flores. All voted aye.

Joe Flores motioned to approve deferment of loan payments for six months on Project R. Galvan. Seconded by Roel Villanueva. All voted aye.

Joe Flores motioned to proceed as discussed in Executive Session on Project Salsa and gain clarity from the city on the required street. Seconded by David Garza. All voted aye.

Roel Villanueva motioned to give the City the rights of representation in the Texas Valley Communities Foundation Lawsuit as recommended by legal counsel. Seconded by Joe Flores. All voted aye.

6. Adjournment: 12:37 PM

Fred Gonzalez, President

Joe Flores, Jr., Vice President

Tony Garza, Treasurer

Jaime Gonzales, Secretary

Roel Villanueva, Member

Manuel Garza, Member

David Garza, Member

3. Discussion and Action: Financial Report for June 2020

May 2020 Sales Tax Allocation

City	Rate	Net Payment This Period	Comparable Payment	Prior Year	% Change	Payment YTD	Prior Year Payment YTD	% Change
Hidalgo	2.00%	\$351,798.03	\$295,618.29	\$295,618.29	19.00%	\$2,431,114.52	\$2,209,316.47	10.03%
Hidalgo	2.00%	\$135,534.31	\$95,987.53	\$95,987.53	41.19%	\$840,881.23	\$682,212.04	23.25%
Hidalgo	2.00%	\$406,073.56	\$311,760.78	\$311,760.78	30.25%	\$2,557,601.64	\$2,276,699.66	12.33%
Hidalgo	2.00%	\$29,147.98	\$24,175.40	\$24,175.40	20.56%	\$188,179.12	\$148,935.87	26.34%
Hidalgo	2.00%	\$2,200,941.65	\$2,048,194.09	\$2,048,194.09	7.45%	\$14,971,808.08	\$14,688,520.81	1.92%
Hidalgo	1.50%	\$137,106.66	\$140,254.96	\$140,254.96	-2.24%	\$798,076.20	\$965,859.04	-17.37%
Hidalgo	1.00%	\$3,214.28	\$2,215.04	\$2,215.04	45.11%	\$22,972.73	\$19,884.74	15.52%
Hidalgo	2.00%	\$250,384.17	\$221,425.27	\$221,425.27	13.07%	\$1,831,752.59	\$1,732,498.71	5.72%
Hidalgo	2.00%	\$46,538.95	\$40,541.60	\$40,541.60	14.79%	\$311,400.20	\$295,043.10	5.54%
Hidalgo	1.50%	\$9,361.08	\$7,269.34	\$7,269.34	28.77%	\$64,434.19	\$68,976.27	-6.58%
Hidalgo	2.00%	\$4,784,982.64	\$5,526,207.93	\$5,526,207.93	-13.41%	\$38,266,401.09	\$40,303,990.65	-5.05%
Hidalgo	2.00%	\$317,080.94	\$416,790.36	\$416,790.36	-23.92%	\$3,279,980.64	\$3,729,737.67	-12.05%
Hidalgo	2.00%	\$1,488,887.47	\$1,400,773.51	\$1,400,773.51	6.29%	\$9,314,385.22	\$9,662,162.80	-3.59%
Hidalgo	1.50%	\$203,949.37	\$153,430.71	\$153,430.71	32.92%	\$1,299,750.23	\$1,237,710.68	5.01%
Hidalgo	1.00%	\$105,116.01	\$90,893.35	\$90,893.35	15.64%	\$633,146.59	\$585,758.61	8.09%
Hidalgo	1.50%	\$99,185.72	\$73,024.81	\$73,024.81	35.82%	\$633,141.02	\$523,102.13	21.03%
Hidalgo	2.00%	\$1,836,350.65	\$1,760,676.90	\$1,760,676.90	4.29%	\$12,081,196.19	\$12,483,094.43	-3.21%
Hidalgo	2.00%	\$26,824.45	\$19,279.34	\$19,279.34	39.13%	\$151,757.32	\$138,940.46	9.22%
Hidalgo	1.50%	\$4,501.05	\$3,571.90	\$3,571.90	26.01%	\$30,827.76	\$28,988.19	6.34%
Hidalgo	2.00%	\$404,504.77	\$344,558.63	\$344,558.63	17.39%	\$2,590,835.66	\$2,264,802.64	14.39%
Hidalgo	1.00%	\$15,921.29	\$18,969.21	\$18,969.21	-16.06%	\$133,899.02	\$130,168.71	2.86%
Hidalgo	2.00%	\$1,232,478.88	\$1,035,419.98	\$1,035,419.98	19.03%	\$7,973,212.52	\$7,741,096.73	2.99%

City \$317,080.94
75%
\$237,810.71

City \$317,080.94
25%
\$79,270.24

Economic Development Corporation of Mercedes, Texas (EDC)

Balance Sheet - EDC

As of June 30, 2020

	Jun 30, 20	May 31, 20	\$ Change
ASSETS			
Current Assets			
Checking/Savings			
Cash - Development Corporation	822,075.07	811,991.79	10,083.28
Development Corp - TXCLASS	101,067.03	101,018.19	48.84
EDC 2006 Reserve - TXCLASS	298,782.69	298,638.25	144.44
VTX Bond 2016	200.00	200.00	0.00
Total Checking/Savings	1,222,124.79	1,211,848.23	10,276.56
Other Current Assets			
Due from IRP	1,037.88	0.00	1,037.88
Total Other Current Assets	1,037.88	0.00	1,037.88
Total Current Assets	1,223,162.67	1,211,848.23	11,314.44
Fixed Assets			
Accumulated Depreciation	-39,770.00	-39,770.00	0.00
Furniture and Equipment			
2 Televisions 04/13/19	1,309.78	1,309.78	0.00
Total Furniture and Equipment	1,309.78	1,309.78	0.00
Office Furniture	47,103.00	47,103.00	0.00
Redevelopment Asset	3,373,406.27	3,373,406.27	0.00
Total Fixed Assets	3,382,049.05	3,382,049.05	0.00
Other Assets			
Investment in Assets	-4,680,478.12	-4,680,478.12	0.00
Loan Rec - Elias Gonzalez	2,850.72	2,850.72	0.00
Loan Rec - MD Int'l(Orb-Galvan)	132,017.10	132,017.10	0.00
Note Receivable - City	296,686.76	296,686.76	0.00
Rsrcs To be Prov 07 & EDC Buil	6,445,416.43	6,475,143.59	-29,727.16
Total Other Assets	2,196,492.89	2,226,220.05	-29,727.16
TOTAL ASSETS	6,801,704.61	6,820,117.33	-18,412.72
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Other Current Liabilities			
Insurance Payable	-33.17	0.00	-33.17
Payroll Liabilities	2,252.57	3,584.92	-1,332.35
Unavailable Rev/Gain From EDC	134,867.82	134,867.82	0.00
Total Other Current Liabilities	137,087.22	138,452.74	-1,365.52
Total Current Liabilities	137,087.22	138,452.74	-1,365.52
Long Term Liabilities			
Bonds Payable 2007	2,010,000.00	2,010,000.00	0.00
Bonds Payable 2016	1,437,500.46	1,458,333.80	-20,833.34
Estimated Mail Rebate Liability	2,064,036.28	2,064,036.28	0.00
Texas Leverage Fund Payable	559,513.62	568,407.44	-8,893.82
Total Long Term Liabilities	6,071,050.36	6,100,777.52	-29,727.16
Total Liabilities	6,208,137.58	6,239,230.26	-31,092.68
Equity			
Prior Year Adjustment	-129,757.46	-129,757.46	0.00
Unappropriated FDBL/RETAIN ERN	-2,778,109.35	-2,778,109.35	0.00
Unrestricted Net Assets	3,206,523.89	3,206,523.89	0.00
Net Income	294,909.95	282,229.99	12,679.96
Total Equity	593,567.03	580,887.07	12,679.96

Economic Development Corporation of Mercedes, Texas (EDC)

Balance Sheet - EDC

As of June 30, 2020

	<u>Jun 30, 20</u>	<u>May 31, 20</u>	<u>\$ Change</u>
TOTAL LIABILITIES & EQUITY	<u>6,801,704.61</u>	<u>6,820,117.33</u>	<u>-18,412.72</u>

Economic Development Corporation of Mercedes, Texas (EDC)

Profit & Loss Budget vs. Actual

For the Period Ending June 30, 2020

	<u>Oct '19 - Jun 20</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
Miscellaneous				
Interest - MD Int'l(Orb Galvan)	4,331.71	5,456.57	-1,124.86	79.4%
Interest - TX Class	4,456.87	6,000.00	-1,543.13	74.3%
Loan Principal Payments - EDC	3,197.76	9,000.00	-5,802.24	35.5%
N/R Prev Written Off-C Bertholf	5,608.50			
Other Financing Sources-Reserve	0.00	500,000.00	-500,000.00	0.0%
Other Income-City Pmt VTX	93,750.03	125,000.00	-31,249.97	75.0%
Other Income - Luis A. Muro	55,091.74	45,000.00	10,091.74	122.4%
Total Miscellaneous	166,436.61	690,456.57	-524,019.96	24.1%
Taxes				
Sales Tax	1,104,608.52	1,198,552.21	-93,943.69	92.2%
Total Taxes	1,104,608.52	1,198,552.21	-93,943.69	92.2%
Total Income	1,271,045.13	1,889,008.78	-617,963.65	67.3%
Expense				
Capital Outlay				
Furniture & Fixtures	0.00	3,000.00	-3,000.00	0.0%
Total Capital Outlay	0.00	3,000.00	-3,000.00	0.0%
Maintenance				
Maintenance	976.38	3,000.00	-2,023.62	32.5%
Office Equipment	324.74	6,000.00	-5,675.26	5.4%
Total Maintenance	1,301.12	9,000.00	-7,698.88	14.5%
Other Services & Charges				
Audit	15,700.00	21,500.00	-5,800.00	73.0%
Automobile Mileage	150.34	500.00	-349.66	30.1%
Bldg Lease	11,686.50	15,582.00	-3,895.50	75.0%
Chamber	5,000.00	20,000.00	-15,000.00	25.0%
Contract Labor - Writer	3,600.00	6,000.00	-2,400.00	60.0%
Crime Insurance	700.00			
D & O Insurance	0.00	700.00	-700.00	0.0%
Electricity	3,041.52	3,000.00	41.52	101.4%
Finance Charges	17.00	1,100.00	-1,083.00	1.5%
Janitorial	7,700.00	11,000.00	-3,300.00	70.0%
Legal	18,945.72	45,000.00	-26,054.28	42.1%
Loan Fees - EDC	870.00	0.00	870.00	100.0%
Marketing & Promotion	5,906.24	17,800.00	-11,893.76	33.2%
Meetings	723.79	3,500.00	-2,776.21	20.7%
Membership/Subs	975.20	4,000.00	-3,024.80	24.4%
Miscellaneous	208.96	1,000.00	-791.04	20.9%
Office Equipment - Lease	2,321.90	2,342.40	-20.50	99.1%
Outlet Mall Oct 18' - Oct 28'	72,435.85	100,000.00	-27,564.15	72.4%
Postage	135.50	300.00	-164.50	45.2%
Professional Fees - Accounting	14,400.00	19,200.00	-4,800.00	75.0%
Project CL Healthcare	118,000.00	118,000.00	0.00	100.0%
Project Cortinos	0.00	58,302.50	-58,302.50	0.0%
Project Orchard Grove Apartment	0.00	100,000.00	-100,000.00	0.0%
Project Residency	0.00	150,000.00	-150,000.00	0.0%
Project RGV Livestock Show Park	50,000.00	50,000.00	0.00	100.0%
Project Rios of Mercedes	50,800.00	50,800.00	0.00	100.0%
Project TRLA	25,000.00	25,000.00	0.00	100.0%
Project VIDA	15,000.00	15,000.00	0.00	100.0%
Projects	2,234.05	88,191.00	-85,956.95	2.5%
Receptionist	6,000.00	12,000.00	-6,000.00	50.0%
Series 2007 - Interest	41,532.65	83,720.00	-42,187.35	49.6%
Series 2007 - Principal	0.00	195,000.00	-195,000.00	0.0%
Series 2010A- Int & Princ 8/21	63,733.83	64,856.00	-1,122.17	98.3%
Sponsorships	20,250.00	20,000.00	250.00	101.3%

Economic Development Corporation of Mercedes, Texas (EDC)

Profit & Loss Budget vs. Actual

For the Period Ending June 30, 2020

	<u>Oct '19 - Jun 20</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Telephones	3,526.35	5,400.00	-1,873.65	65.3%
TLF Repayment - Interest	19,547.16	97,897.40	-78,350.24	20.0%
TLF Repayment - Principal	80,969.96	33,608.56	47,361.40	240.9%
Travel & Training	0.00	1,200.00	-1,200.00	0.0%
VTX Note	187,500.06	250,000.00	-62,499.94	75.0%
Water Bill	1,081.43	1,200.00	-118.57	90.1%
Web-Site	5,985.00	7,980.00	-1,995.00	75.0%
Total Other Services & Charges	855,679.01	1,700,679.86	-845,000.85	50.3%
Personnel Costs				
Automobile Allowance	3,200.00	4,800.00	-1,600.00	66.7%
Cell Phone Allowance	400.00	600.00	-200.00	66.7%
Health/Life Insurance	8,822.60	13,896.00	-5,073.40	63.5%
Salaries	83,559.78	119,000.00	-35,440.22	70.2%
Social Security	6,614.28	9,470.70	-2,856.42	69.8%
TMRs Contribution	15,866.30	23,757.22	-7,890.92	66.8%
Unemployment Comp	0.00	1,500.00	-1,500.00	0.0%
Worker's Comp	0.00	305.00	-305.00	0.0%
Total Personnel Costs	118,462.96	173,328.92	-54,865.96	68.3%
Supplies				
Office Supplies	692.09	3,000.00	-2,307.91	23.1%
Total Supplies	692.09	3,000.00	-2,307.91	23.1%
Total Expense	976,135.18	1,889,008.78	-912,873.60	51.7%
Net Ordinary Income	294,909.95	0.00	294,909.95	100.0%
Net Income	294,909.95	0.00	294,909.95	100.0%

Economic Development Corporation of Mercedes, Texas (EDC)
Balance Sheet - R.B.E.G. Grant
As of June 30, 2020

	<u>Jun 30, 20</u>	<u>May 31, 20</u>	<u>\$ Change</u>
ASSETS			
Current Assets			
Checking/Savings			
Cash - EDC R.B.E.G. Grant	195,960.97	191,536.27	4,424.70
Total Checking/Savings	<u>195,960.97</u>	<u>191,536.27</u>	<u>4,424.70</u>
Total Current Assets	<u>195,960.97</u>	<u>191,536.27</u>	<u>4,424.70</u>
Other Assets			
Due From I.R.P.	1,243.04	0.00	1,243.04
EDC RBEG Grant-TXCLASS	41,655.63	41,635.49	20.14
Loan Rec - DeLaGarza Bakery	125,939.44	127,325.02	-1,385.58
Loan Rec - First Nat'l B(Gomez)	27,471.69	28,498.90	-1,027.21
Loan Rec - Jaime Gonzalez	34,689.98	35,413.58	-743.60
Loan Rec - Leticia Galvan.	6,599.43	6,599.43	0.00
Loan Rec - Longoria	9,387.22	9,387.22	0.00
Loan Rec - MD International	48,000.00	48,000.00	0.00
Loan Rec - Michael Salinas	56,353.39	56,859.87	-506.48
Loan Rec - Nora Martinez	6,685.97	6,685.97	0.00
Loan Rec - Reybotics, LLC (Adv)	150,378.07	149,977.61	400.46
Loan Rec - The Grind	53,788.11	54,483.67	-695.56
Loan Rec - Top Gym - San Miguel	59,900.74	59,900.74	0.00
Loan Rec - Werbiskl Ashley & H	20,131.27	20,131.27	0.00
Total Other Assets	<u>642,203.98</u>	<u>644,898.77</u>	<u>-2,694.79</u>
TOTAL ASSETS	<u>838,164.95</u>	<u>836,435.04</u>	<u>1,729.91</u>
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Other Current Liabilities			
Unavailable Revenue	599,305.30	603,263.27	-3,957.97
Total Other Current Liabilities	<u>599,305.30</u>	<u>603,263.27</u>	<u>-3,957.97</u>
Total Current Liabilities	<u>599,305.30</u>	<u>603,263.27</u>	<u>-3,957.97</u>
Total Liabilities	<u>599,305.30</u>	<u>603,263.27</u>	<u>-3,957.97</u>
Equity			
Fund Balance	261,903.39	261,903.39	0.00
Unrestricted Net Assets	-13,834.73	-13,834.73	0.00
Net Income	-9,209.01	-14,896.89	5,687.88
Total Equity	<u>238,859.65</u>	<u>233,171.77</u>	<u>5,687.88</u>
TOTAL LIABILITIES & EQUITY	<u>838,164.95</u>	<u>836,435.04</u>	<u>1,729.91</u>

Economic Development Corporation of Mercedes, Texas (EDC)
Balance Sheet - I R P
As of June 30, 2020

	Jun 30, 20	May 31, 20	\$ Change
ASSETS			
Current Assets			
Checking/Savings			
Cash - I R P	125,191.28	118,289.79	6,901.49
Total Checking/Savings	125,191.28	118,289.79	6,901.49
Total Current Assets	125,191.28	118,289.79	6,901.49
Other Assets			
IRP Operating Reserv - TXCLASS	68,447.43	68,414.35	33.08
Loan Rec - 956Sports	32,222.19	32,222.19	0.00
Loan Rec - Castaneda Mario & M	93,708.54	93,708.54	0.00
Loan Rec - First Nat'l (Gomez)	17,232.29	17,917.10	-684.81
Loan Rec - Irma Cadena	3,383.91	3,383.91	0.00
Loan Rec - MD Int'l (Galvan)	135,612.07	135,612.07	0.00
Loan Rec - Mid Valley Dental	52,051.36	53,080.24	-1,028.88
Loan Rec - R. Guerra	36,844.35	38,311.72	-1,467.37
Loan Rec - Raquel Moreno	11,150.71	11,150.71	0.00
Rsrcs To Be Provided	579,172.93	579,172.93	0.00
Total Other Assets	1,029,825.78	1,032,973.76	-3,147.98
TOTAL ASSETS	1,155,017.06	1,151,263.55	3,753.51
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Other Current Liabilities			
Due to EDC	1,037.88	0.00	1,037.88
Due To R.B.E.G.	1,243.04	0.00	1,243.04
Note Payable - USDA - IRP	579,172.93	579,172.93	0.00
Unavallable Revenue - IRP	382,205.42	385,386.48	-3,181.06
Total Other Current Liabilities	963,659.27	964,559.41	-900.14
Total Current Liabilities	963,659.27	964,559.41	-900.14
Total Liabilities	963,659.27	964,559.41	-900.14
Equity			
Fund Balance - IRP	143,874.41	143,874.41	0.00
Unrestricted Net Assets	34,229.26	34,229.26	0.00
Net Income	13,254.12	8,600.47	4,653.65
Total Equity	191,357.79	186,704.14	4,653.65
TOTAL LIABILITIES & EQUITY	1,155,017.06	1,151,263.55	3,753.51



Summary Statement

June 2020

Development Corporation of Mercedes Inc.

320 S. Ohio
Mercedes, TX 78570

TXCLASS

Average Monthly Yield: 0.59%

	Beginning Balance	Contributions	Withdrawals	Income Earned	Income Earned YTD	Average Daily Balance	Month End Balance
TX-01-0607-0001 DEVELOPMENT CORPORATION OF MERCEDES	101,018.19	0.00	0.00	48.84	629.27	101,044.46	101,067.03
TX-01-0607-0002 EDC 2006 RESERVE	298,638.25	0.00	0.00	144.44	1,860.28	298,715.96	298,782.69
01-0607-0003 EDC RBEG FUND	41,635.49	0.00	0.00	20.14	259.32	41,646.32	41,655.63
TX-01-0607-0004 IRP FUND OPERATING/RESERVE	68,414.35	0.00	0.00	33.08	426.16	68,432.14	68,447.43
Total	509,706.28	0.00	0.00	246.50	3,175.03	509,838.88	509,952.78

**Blue BusinessSM Plus Credit Card**DEVELOPMENT CORPORATION OF
MELISSA RAMIREZ

Closing Date 06/16/20 Next Closing Date 07/17/20

p. 1/7

Account Ending 5-31009

New Balance **\$981.44**

Minimum Payment Due **\$35.00**

Payment Due Date **07/11/20[†]**

†Late Payment Warning: If we do not receive your Minimum Payment Due by the Payment Due Date of 07/11/20, you may have to pay a late fee of up to \$39.00 and your APRs may be increased to the Penalty APR of 29.24%.

Minimum Payment Warning: If you make only the minimum payment each period, you will pay more in interest and it will take you longer to pay off your balance. For example:

If you make no additional charges and each month you pay...	You will pay off the balance shown on this statement in about...	And you will pay an estimated total of...
Only the Minimum Payment Due	3 years	\$1,181

If you would like information about credit counseling services, call 1-888-733-4139.

➔ See page 2 for important information about your account.

➔ Please refer to the **IMPORTANT NOTICES** section on pages 5 - 6.

Membership Rewards[®] Points

Available and Pending as of 05/31/20

37,962

For up to date point balance and full program details, visit membershprewards.com

Account Summary

Previous Balance \$4,279.82
 Payments/Credits -\$4,279.82
 New Charges +\$981.44
 Fees +\$0.00
 Interest Charged +\$0.00

New Balance **\$981.44**
Minimum Payment Due **\$35.00**

Credit Limit \$13,000.00
 Available Credit \$12,018.56

Days in Billing Period: 30

Customer Care

Pay by Computer
americanexpress.com/business

Customer Care **Pay by Phone**
 1-800-521-6121 1-800-472-9297

➔ See page 3 for additional information.

↓ Please fold on the perforation below, detach and return with your payment ↓

**Payment Coupon**

Do not staple or use paper clips

**Pay by Computer**americanexpress.com/business**Pay by Phone**

1-800-472-9297

Account Ending 5-31009

Enter 15 digit account # on all payments.
 Make check payable to American Express.



MELISSA RAMIREZ
 DEVELOPMENT CORPORATION OF
 DEVELOPMENT CORP OF
 320 S OHIO
 MERCEDES TX 78570

MB 01 004498 95925 B 21 A



Payment Due Date
07/11/20

New Balance
\$981.44

Minimum Payment Due
\$35.00

See reverse side for instructions
 on how to update your address,
 phone number, or email.

AMERICAN EXPRESS
 P.O. BOX 650448
 DALLAS TX 75265-0448

\$ _____
Amount Enclosed

0000349992503945648 000098144000003500 13 H

**Blue BusinessSM Plus Credit Card**

DEVELOPMENT CORPORATION OF

MELISSA RAMIREZ

Closing Date 06/16/20

XXXXXX

p. 3/7

Account Ending 5-31009



Customer Care & Billing Inquiries
International Collect
Large Print & Braille Statements
Cash Advance at ATMs Inquiries

1-800-521-6121
 1-623-492-7719
 1-800-521-6121
 1-800-CASH-NOW

Hearing Impaired
TTY: 1-800-221-9950
FAX: 1-623-707-4442
In NY: 1-800-522-1897



Website: americanexpress.com

**Customer Care
 & Billing Inquiries**
 P.O. BOX 981535
 EL PASO, TX
 79998-1535

Payments
 P.O. BOX 650448
 DALLAS TX 75265-
 0448

Payments and Credits**Summary**

	Total
Payments	-\$4,279.82
Credits	\$0.00
Total Payments and Credits	-\$4,279.82

Detail *Indicates posting date

Payments	Amount
06/04/20* PAYMENT RECEIVED - THANK YOU	-\$4,279.82

New Charges**Summary**

	Total
Total New Charges	\$981.44

Detail

MELISSA RAMIREZ
 Card Ending 5-31009

				Amount
05/17/20	LOOPNET COMMERCIAL P	888-567-7442	DC	Marketing + Promotion \$69.00
05/20/20	CVS/PHARMACY #04821 000004821 8007467287	EDINBURG	TX	Office Supplies \$13.58
05/23/20	EXTREME STEAM DRY & CL +18884636126	EDINBURG	TX	Maintenance \$497.50
05/24/20	LOGMEIN*GOTOMEETING ONLINE SVCS	LOGMEIN.COM	MA	Meeting \$51.06
06/04/20	H-E-B 9999999999	MERCEDES	TX	Office Supplies \$25.56
06/12/20	DYSON DYSON HOUSEHOLD APPLIANCES	UNITED STATES		Office Equipment Vacuum \$324.74

Fees

	Amount
Total Fees for this Period	\$0.00

Continued on reverse

O. Box 4650, Edinburg, Texas 78540
Return Service Requested

00002332 TT212S07012003250000 01 000000000 0002332 005

DEVELOPMENT CORPORATION OF MERCEDES INC
320 S OHIO AVE
MERCEDES TX 78570-3118

Customer Service Information



24/7 Banking: 1-888-862-1862

Customer Support: 1-855-862-1920

Your Bank associates are available to assist you
Monday through Friday from 8:00AM to 5:00PM



Written Inquiries:

P.O. Box 4650, Edinburg, Texas 78540



Visit us Online: www.texasnational.com



Email Inquiries: customerservice@texasnational.com



Join us on Facebook!

IMPORTANT MESSAGE!

Effective 07/01/2020, we are increasing the amount we make available for withdrawal by checks subject to next day availability from \$200 to \$225. In addition, the amount available for withdrawal on exception holds for large deposits, new accounts and repeated overdraft increases from \$5,000 to \$5,525. If we delay availability on a deposit, we will provide a notice of delayed availability to you promptly. Should you have any questions, please do not hesitate to contact Customer Service at 1-855-862-1920.

PUBLIC FUNDS ANALYSIS

Account Number: XXXXXX1873

Account Owner(s): DEVELOPMENT CORPORATION OF MERCEDES INC

Balance Summary

Beginning Balance as of 06/01/2020	\$851,002.10
+ Deposits and Credits (3)	\$61,726.70
- Withdrawals and Debits (21)	\$75,988.69
Ending Balance as of 06/30/2020	\$836,740.11
Service Charges for Period	\$0.00
Average Balance for Period	\$801,034.00

Texas National Bank 
WE ARE *Friendly!*

SAN JUAN BRANCH

(956) 601-1281 | 920 W. Interstate Hwy 2 Suite A | San Juan, TX 78589

DEPOSITS AND OTHER CREDITS

Date	Description	Deposits
Jun 10	DEPOSIT	1,500.00
Jun 16	DEPOSIT	2,608.50
Jun 26	CITY OF MERCEDES/A/P EFT 99-00245 DEVELOPMENT CORPORATIO	57,618.20

DEBITS AND OTHER WITHDRAWALS

Date	Description	Withdrawals
Jun 01	DEVELOPMENT CORP/PAYROLL 450542230 DEVELOPMENT CORP	900.00
Jun 01	BENE: TEXAS LEVERAGE FUND TRN P202006010015011	10,781.63
Jun 10	REF 1621025 TO DEP 1001010691 FOR VTX BO ND DEBT SERVICE PAYMENT	10,416.67
Jun 12	DEVELOPMENT CORP/PAYROLL 450542230 DEVELOPMENT CORP	3,780.68
Jun 15	IRS/USATAXPYMT ****6712325487 DEVELOPMENT CORPORATIO	3,584.92
Jun 26	DEVELOPMENT CORP/PAYROLL 450542230 DEVELOPMENT CORP	2,977.38

CHECKS PAID

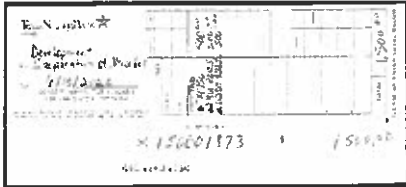
* Indicates a Skip in Check Number(s)

Date	Check No.	Amount	Date	Check No.	Amount	Date	Check No.	Amount
Jun 01	3526	50.00	Jun 01	TRLA 3533	25,000.00	Jun 08	3538	915.43
Jun 08	AMEX 3527	4,279.82	Jun 05	3534	222.47	Jun 09	Accounting 3539	1,600.00
Jun 01	3528	2,200.00	Jun 02	3535	266.25	Jun 11	3540	665.00
Jun 18	CRI *3530	3,000.00	Jun 18	Chamber 3536	1,298.50	Jun 16	*3542	400.00
n 08	*3532	17.00	Jun 08	TMRS 3537	3,582.84	Jun 15	3543	50.10

DAILY BALANCE SUMMARY

Date	Balance	Date	Balance	Date	Balance
Jun 01	812,070.47	Jun 09	801,186.66	Jun 15	784,189.29
Jun 02	811,804.22	Jun 10	792,269.99	Jun 16	786,397.79
Jun 05	811,581.75	Jun 11	791,604.99	Jun 18	782,099.29
Jun 08	802,786.66	Jun 12	787,824.31	Jun 26	836,740.11

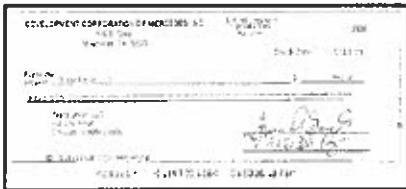
CHECK IMAGES



06/10/2020 Check 0 \$1,500.00



06/16/2020 Check 0 \$2,608.50



06/01/2020 Check 3526 \$50.00



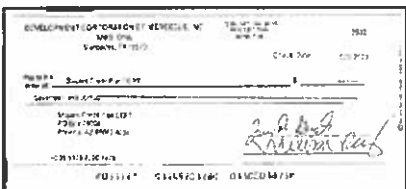
06/08/2020 Check 3527 \$4,279.82



06/01/2020 Check 3528 \$2,200.00



06/18/2020 Check 3530 \$3,000.00



06/08/2020 Check 3532 \$17.00



06/01/2020 Check 3533 \$25,000.00



06/05/2020 Check 3534 \$222.47



06/02/2020 Check 3535 \$266.25



06/18/2020 Check 3536 \$1,298.50



06/08/2020 Check 3537 \$3,582.84

CHECK IMAGES (Continued)



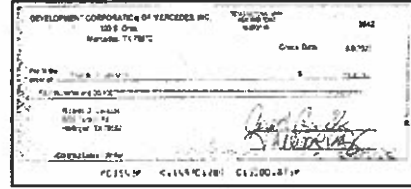
06/08/2020 Check 3538 \$915.43



06/09/2020 Check 3539 \$1,600.00



06/11/2020 Check 3540 \$665.00



06/16/2020 Check 3542 \$400.00



06/15/2020 Check 3543 \$50.10

Security Holder Remittance Report for 7/9/2020

Start Date:	6/25/2020 12:00:00A
End Date:	7/9/2020 11:59:00PM
Print Date:	07/09/2020
Print Time:	5:33:04 pm

Security Holder **Development Corporation of Mercedes**

Investor Number		Investor Name		Development Corp of Mercedes RBEG							Rcvr'd	Net Remit
<u>Loan No</u>	<u>Borrower</u>	<u>Trans Desc</u>	<u>*Paid Dt</u>	<u>Pmt Amt</u>	<u>Principal</u>	<u>Interest</u>	<u>Ser Fee</u>	<u>Lt Chrg</u>	<u>Fee</u>			<u>Am</u>
98554876	Jom Investme	Regular Pymnt	06/25/2020	999.24	828.76	170.48	18.00	0.00	0.00			981.24
98557444	Gonzalez	Regular Pymnt	07/09/2020	840.00	725.40	114.60	18.00	0.00	0.00			822.00
Investor/Bank/Group Total				1,839.24	1,554.16	285.08	36.00	0.00	0.00			1,803.24

Investor Number		Investor Name		Development Corporation of Mercedes							Rcvr'd	Net Remit
<u>Loan No</u>	<u>Borrower</u>	<u>Trans Desc</u>	<u>*Paid Dt</u>	<u>Pmt Amt</u>	<u>Principal</u>	<u>Interest</u>	<u>Ser Fee</u>	<u>Lt Chrg</u>	<u>Fee</u>			<u>Am</u>
98553940	Mid Valley Der	Regular Pymnt	07/01/2020	1,186.24	1,036.91	149.33	18.00	0.00	0.00			1,168.24
98560836	Castaneda	Regular Pymnt	07/06/2020	1,113.13	548.28	564.85	18.00	0.00	0.00			1,095.13
Investor/Bank/Group Total				2,299.37	1,585.19	714.18	36.00	0.00	0.00			2,263.37

Total Security Holder	4,138.61	3,139.35	999.26	72.00	0.00	0.00	4,066.61
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Data Date: 07/09/2020
Data Time: 5:29:39 pm
Print Date: 07/09/2020
Print Time: 5:29:39 pm

<u>Investor Number:</u>	<u>01-985-001</u>	<u>Investor Name: Development Corporation of Mercedes</u>								
<u>Loan No</u>	<u>Loan Amt</u>	<u>Prin Bal</u>	<u>Total Pmt</u>	<u>Unpaid Lt Chrg</u>	<u>Int Pd to Dt</u>	<u>Total Due</u>	<u>Due Date</u>	<u>Dt Last Pmt</u>	<u>Days Late</u>	<u>#PmtDue</u>
98560940	4,900.00	2,850.72	110.64	11.06	03/07/2019	1,959.81	03/01/2019	03/07/2019	496	17
Gonzalez , Elias										

<u>Loan No</u>	<u>Loan Amt</u>	<u>Prin Bal</u>	<u>Total Pmt</u>	<u>Unpaid Lt Chrg</u>	<u>Int Pd to Dt</u>	<u>Total Due</u>	<u>Due Date</u>	<u>Dt Last Pmt</u>	<u>Days Late</u>	<u>#PmtDue</u>
98556404 Longoria , Daniel	12,000.00	9,387.22	215.62	10.78	09/28/2016	9,387.22	10/01/2016	09/28/2016	1377	46
98561444 Martínez , Nora	6,816.80	6,685.97	152.40	7.62	07/31/2017	5,593.08	08/28/2017	07/31/2017	1046	35
98562372 Galvan , Leticia	8,075.00	6,599.43	236.61	11.83	06/25/2018	6,435.78	06/10/2018	06/25/2018	760	26
98554876 Jom Investn, 7013 E. Expressway 83 Suite E.	98,691.90	52,959.35	999.24	1,348.92	06/25/2020	5,196.04	02/15/2020	06/25/2020	145	5
98563684 REYBOTIC,	150,400.00	150,378.07	2015.98	100.80	04/24/2020	4,132.76	05/24/2020	05/08/2020	46	2

<u>Loan No</u>	<u>Loan Amt</u>	<u>Prin Bal</u>	<u>Total Pmt</u>	<u>Unpaid Lt Chrg</u>	<u>Int Pd to Dt</u>	<u>Total Due</u>	<u>Due Date</u>	<u>Dt Last Pmt</u>	<u>Days Late</u>	<u>#PmtDue</u>
98552764	75,000.00	32,222.19	1421.24	426.36	10/17/2016	32,222.19	10/15/2016	11/18/2016	1363	46
Sports2Nigt, 325 West Second St.										

Delinquency Report

As Of July 09, 2020

Data Date: 07/09/2020
Data Time: 5:29:39 pm
Print Date: 07/09/2020
Print Time: 5:29:39 pm

Security Holder Development Corporation of Mercedes

98564764	4,717.17	3,383.91	205.11	30.78	05/13/2019	3,004.92	06/01/2019	05/13/2019	404	14
Cadena , Irma										
98560836	107,362.25	93,160.26	1060.13	106.02	07/06/2020	5,458.93	03/01/2020	07/06/2020	130	5
Castaneda , Mario										
1201 S. Rio Rico Rd.										
98569300	315,629.17	315,629.17	2938.50	0.00	04/18/2020	5,877.00	05/18/2020		52	2
MD Internati,										
311 D. Vogel Drive										
98550182	100,000.00	44,703.99	690.58	34.53	05/28/2020	1,415.69	06/06/2020	05/28/2020	33	2
Gomez , Roy										
334 South Texas Blvd.										

Mortgage Servicer System
Investor Trial Balance For Development Corporation of Mercedes

Bk	Inv	Grp	Inv	Loan #	Loan #	Loan Name	Due Date	Int Rate	P&I	Prin Bal	Net Prin Bal	T&I Bal	Unapplied	Subsidy
01	985	001	98560940	98560940		Gonzalez, Elias	03/01/19	4.00000	110.64	2,850.72	2,850.72	0.00	0.00	0.00
Total :									110.64		2,850.72		0.00	
										2,850.72		0.00		0.00

Item Count = 1

Mortgage Servicer System
Investor Trial Balance For Development Corp of Mercedes RBEG

Bk	Inv	Grp	Inv Loan #	Loan #	Loan Name	Due Date	Int Rate	P&I	Prin Bal	Net Prin Bal	T&I Bal	Unapplied	Subsidy
01	985	002	98550030	98550030	De La Garza, Al	07/01/20	5.00000	1,976.98	125,939.44	125,939.44	0.00	0.00	0.00
01	985	002	98550038	98550038	Salinas, Michael	07/10/20	4.00000	680.48	56,353.39	56,353.39	0.00	0.00	0.00
01	985	002	98554876	98554876	Jorn Investmen	02/15/20	4.00000	999.24	52,959.35	52,959.35	0.00	0.00	0.00
01	985	002	98556404	98556404	Longoria, Daniel	10/01/16	3.00000	215.62	9,387.22	9,387.22	0.00	0.00	0.00
01	985	002	98557444	98557444	Gonzalez, Jaime	08/01/20	3.50000	838.59	33,944.58	33,944.58	0.00	0.00	0.00
01	985	002	98561444	98561444	Martinez, Nora	08/28/17	3.50000	152.40	6,685.97	6,685.97	0.00	0.00	0.00
01	985	002	98562372	98562372	Leticia Galvan c	06/10/18	3.50000	236.61	6,599.43	6,599.43	0.00	0.00	0.00
01	985	002	98563684	98563684	REYBOTICS, LLC	05/24/20	3.50000	2,015.98	150,378.07	150,378.07	0.00	0.00	0.00
01	985	002	98564204	98564204	Werbiski, Ashle	08/03/20	3.50000	545.75	20,131.27	20,131.27	0.00	0.00	0.00
01	985	002	98567980	98567980	San Miguel, Ju	12/05/20	3.00000	1,167.96	59,900.74	59,900.74	0.00	0.00	0.00
Total :								8,829.61	522,279.46	0.00			
									522,279.46	0.00		0.00	

Item Count = 10

Mortgage Servicer System
Investor Trial Balance For Development Corporation of Mercedes IRP

Bk	Inv	Grp	Inv Loan #	Loan #	Loan Name	Due Date	Int Rate	P&I	Prin Bal	Net Prin Bal	T&I Bal	Unapplied	Subsidy
01	985	003	98550182	98550182	Gomez, Roy G.	06/06/20	3.00000	690.58	44,703.99	44,703.99	0.00	0.00	0.00
01	985	003	98550297	98550297	R. GUERRA CO	07/21/20	6.00000	1,665.31	36,844.35	36,844.35	0.00	0.00	0.00
01	985	003	98552764	98552764	Sports2Night, I	10/15/16	5.00000	1,421.24	32,222.19	32,222.19	0.00	0.00	0.00
01	985	003	98553940	98553940	Mid Valley Den	08/01/20	3.50000	1,186.24	51,014.45	51,014.45	0.00	0.00	0.00
01	985	003	98560836	98560836	Castaneda, Ma	03/01/20	3.50000	1,060.13	93,160.26	93,160.26	0.00	0.00	0.00
01	985	003	98564764	98564764	Cadena, Irma P	06/01/19	4.00000	205.11	3,383.91	3,383.91	0.00	0.00	0.00
01	985	003	98564988	98564988	Hinojosa, Raqu	08/23/20	3.50000	282.52	11,150.71	11,150.71	0.00	0.00	0.00
01	985	003	98569300	98569300	MD Internatio	05/18/20	1.00000	2,938.50	315,629.17	315,629.17	0.00	0.00	0.00
Total :								9,449.63	588,109.03	0.00			
								588,109.03	0.00	0.00			

Item Count = 8

4. Discussion: FY 19-20 Budget

DEVELOPMENT CORPORATION OF MERCEDES
BUDGET FY19-20

SOURCES OF CASH	FY 19-20	FY 20-21
TAXES		
25-40040 SALES TAX	\$1,521,903.47	\$ 1,141,427.56 Assumption 25% decrease in sales tax revenue
TOTAL TAXES	\$1,521,903.47	\$ 1,141,427.56
MISCELLANEOUS		
25-44020 INTEREST- TXCLASS	\$ 6,000.00	\$ 6,000.00
25-44026 INTEREST-L&G CONCRETE	\$ -	
25-44027 INTEREST-MD INT'L (ORBIT)	\$ 5,456.57	
25-44041 LOAN PR NCIPAL PAYMENTS	\$ 30,000.00	
25-44097 CARRY OVER FUNDS	\$ 500,000.00	\$ 327,126.76
TXCLASS	\$ 127,519.63	
INTEREST- ELIAS GONZALEZ	\$ 102.00	\$ -
REAL ESTATE SALES		
OTHER INCOME- CITY REIMBURSEMENTS		
OTHER INCOME- CITY PMT VTX	\$ 125,000.00	\$ 125,000.00
TOTAL MISCELLANEOUS	\$ 666,558.57	\$ 585,646.39
TOTAL REVENUE	\$2,188,462.04	\$ 1,727,073.95

DEVELOPMENT CORPORATION OF MERCEDES
BUDGET FY 19-20

USES OF CASH		FY19-20 BUDGET	FY20-21 BUDGET
PERSONNEL COSTS			
25-510-1010	SALARIES	\$ 119,000.00	\$ 119,000.00
25-510-1015	AUTOMOBILE ALLOWANCE	\$ 4,800.00	\$ 4,800.00
25-510-1100	TMRS CONTRIBUTION	\$ 23,757.22	\$ 23,757.22
25-510-1120	SOCIAL SECURITY	\$ 9,470.70	\$ 9,470.70
25-510-1140	UNEMPLOYMENT COMP	\$ 1,500.00	\$ 1,500.00
25-510-1160	HEALTH/LIFE INSURANCE	\$ 13,896.00	\$ 13,896.00
25-510-1180	WORKER'S COMP	\$ 305.00	\$ 305.00
25-510-xxxx	CELL PHONE ALLOWANCE	\$ 600.00	\$ 600.00
TOTAL PERSONNEL COSTS		\$ 173,328.92	\$ 173,328.92
OTHER SERVICES & CHARGES			
25-510-2020	Audit	\$ 21,500.00	\$ 21,500.00
25-510-2012	Automobile Mileage	\$ 500.00	\$ 200.00
25-510-2014	Billboards	\$ -	\$ -
25-510-2134	Bld Lease	\$ 15,582.00	\$ 15,582.00
25-510-2340	Chamber	\$ 20,000.00	\$ 5,000.00
	Texas Street Festival	\$15,000	
	Dues	\$5,000	
25-510-2011	Contract Labor- Writer	\$ 6,000.00	\$ -
25-510-2102	Crime Insurance	\$ 700.00	\$ 700.00
25-510-2036	Downtown Development	\$ -	\$ -
25-510-2165	Electricity	\$ 3,000.00	\$ 3,000.00
25-510-xxxx	Home Development Incentive Program	\$ -	\$ -
25-510-2142	Janitorial	\$ 11,000.00	\$ 11,000.00
25-510-2125	Legal	\$ 45,000.00	\$ 35,000.00
25-510-2021	Loan Fees- EDC	\$ 1,100.00	\$ 750.00
25-510-2010	Marketing & Promotion	\$ 17,800.00	\$ 6,500.00
			Ask Rose for sponsorship for GeoTours

25-510-2131	Website	\$	7,980.00	\$	7,980.00
TOTAL OTHER SERVICES & CHARGES		\$	1,700,679.86	\$	1,546,745.03
MAINTENANCE					
25-510-2520	OFFICE EQUIPMENT	\$	6,000.00	\$	3,000.00
25-510-2540	MAINTENANCE	\$	3,000.00	\$	2,000.00
TOTAL MAINTENANCE		\$	9,000.00	\$	5,000.00
25-510-3050 OFFICE SUPPLIES					
TOTAL SUPPLIES		\$	3,000.00	\$	1,000.00
CAPITAL OUTLAY					
25-510-4005	FURNITURE & FIXTURES	\$	3,000.00	\$	1,000.00
TOTAL CAPITAL OUTLAY		\$	3,000.00	\$	1,000.00
TOTAL 10-DEVELOPMENT CORP. OF MERC					
TOTAL EXPENDITURES		\$	1,889,008.78	\$	1,727,073.95

Mercedes Marketing Plan 2020-2021

2.0	Marketing						
ID	Project	Organization	Creative	Location	Time	Cost	Status
2.1	Publications						
2.1.1	Valley Business Report	City	Tourism	Regional	Annual	\$4,800	
						\$4,800	
2.2	Tradeshows						
2.2.2	ICSC Texas	EDC	Mix Use Development	San Antonio	November		
2.2.4	ICSC Recon	EDC	Mix Use Development	Las Vegas	May		
						\$0	
2.3	Online						
2.3.1	mercedesedc.com	EDC	Organization	Mercedes	Annual	\$6,000	
2.3.2	mercedeschamber.com	Chamber	Organization	Mercedes	Annual	\$4,000	
2.3.3	cityofmercedes.com	City	Organization	Mercedes	Annual	\$6,000	
2.3.4	facebook.com	Chamber/EDC	Social	Mercedes	Annual	\$0	
2.3.5	Loopnet/CoStar	EDC	Mix Use Development	Mercedes	Annual	\$800	
						\$16,800	
2.4	Collateral						
2.4.1	Market Profile	EDC	Mix Use Development	Mercedes	Annual	\$0	
2.4.2	Step and See	EDC	Tourism	Mercedes	Annual	\$0	
						\$0	
2.5	Billboards						
2.5.1	Benchmark	City	Tourism	Mercedes	Annual	\$12,000	
2.5.2	Shared Billboard Chamber/DCM	Chamber/EDC	Tourism	Mercedes	Annual	\$0	
2.5.3	Chamber	Chamber	Tourism	Mercedes	Annual	\$6,000	
2.5.4	Lone Star Logos	City	Tourism	Mercedes	Annual	\$13,000	
						\$31,000	
2.6	Sponsorships						
2.6.1	Valley Morning Star	EDC	Tourism	Mercedes	October	\$0	
2.6.2	Smokin on the Rio	EDC	Tourism	Mercedes	February	\$0	
	Smokin on the Rio	City	Tourism	Mercedes	February	\$12,500	
2.6.3	National Professional Bullriders	EDC	Tourism	Mercedes	February	\$0	
	National Professional Bullriders	City	Tourism	Mercedes	February	\$1,000	
2.6.4	RGV Livestock Show	EDC	Tourism	Mercedes	March	\$0	
	RGV Livestock Show	City	Tourism	Mercedes	March	\$5,000	
2.6.5	Birding Classic	EDC	Tourism	Mercedes		\$0	
						\$18,500	
2.7	Memberships						
2.7.1	Chamber	EDC	Tourism/Mixed Use Devel	Mercedes		\$5,000	
2.7.2	Chamber	City	Tourism/Mixed Use Devel	Mercedes		\$6,000	
						\$11,000	
2.8	Television/Radio						
2.8.1	Merchant Campaign	City	Tourism/Investment	Regional	Annually	\$4,400	
2.8.2	Entravision	City	Tourism/Investment	International	Annually	\$25,840	
						\$30,240	
2.9	Chamber						
2.9.1	Texas Street Festival	City	Tourism	International		\$20,000	
2.9.2	Texas Street Festival	EDC	Tourism	International		\$0	
2.9.3	Little Nashville	City	Tourism	Regional		\$50,000	
2.9.4	Marketing Collateral	City	Tourism	International		\$5,000	
2.9.5	Annual Banquet	City	Tourism	Regional		\$1,000	
2.9.6	Christmas Parade	City	Tourism	Regional		\$3,000	
2.9.7	Winter Texas Reception	City	Tourism	National		\$1,500	
2.9.8	Mercedes Leadership	City	Tourism	International		\$8,000	
2.9.9	Movies in the Park	City	Tourism	Mercedes		\$3,000	
2.9.9.1	Marketing Collateral	City	Tourism	Mercedes		\$5,000	
						\$96,500	
3.0	Direct Marketing						
3.1.1	GeoTours	EDC	Tourism	International	Annually	\$6,500	Includes \$1500 Sponsorship
						\$6,500	
						\$215,340	

5. Discussion and Action: TXCLASS Transfer of Funds

Memo

To: DCM Board of Directors
From: Melissa Ramirez, Executive Director
CC: File
Date: 7/16/2020
Re: TXCLASS Transfer of Funds

The 2006 Bond Reserve requires a fund balance of \$272,136.81.

The current balance is \$298,638.25. Excess funds should be moved from the account.

Recommendation: Transfer \$26,501.44 to the TXCLASS Development Corporation of Mercedes account.

Tax Revenues are first received from the State Comptroller of Public Accounts, whichever date is the later.

The required deposits to the Bond Fund for the payment of principal of and interest on the Bonds shall continue to be made as hereinabove provided until (i) the total amount on deposit in the Bond Fund and Reserve Fund is equal to the amount required to fully pay and discharge all Parity Obligations (principal and interest) then Outstanding or (ii) the Bonds are no longer Outstanding.

Accrued interest, if any, and capitalized interest, if any, received from the issuance of any Parity Obligations shall be taken into consideration and shall reduce the amount of the monthly deposits hereinabove required to be deposited into the Bond Fund from the Pledged Revenues. Additionally, any proceeds of the Bonds not required to construct the Projects shall be deposited into the Bond Fund and shall be taken into consideration and shall reduce the amount of monthly deposits required to be deposited into the Bond Fund from the Pledged Revenues. Lastly, any interest income transferred to the Bond Fund from the Reserve Fund or the Construction Fund shall reduce the amount of monthly deposits required to be deposited into the Bond Fund from the Pledged Revenues.

SECTION 13: Reserve Fund. The Corporation agrees and covenants to maintain on the books and records of the Corporation a separate and special fund or account to be known as the "The Development Corporation of Mercedes, Inc. Reserve Fund" (the "Reserve Fund"), which fund or account shall be a special banking fund maintained at a Depository. All Pledged Revenues deposited to the credit of such fund or account shall be used solely for the payment of the principal of and interest on the Parity Obligations when (whether at maturity, upon a redemption date or any interest payment date) other funds available for such purposes are insufficient, and, in addition, may be used to the extent not required to maintain the Required Reserve, to pay, or provide for the payment of, the final principal amount of a series of Parity Obligations so that such series of Parity Obligations is no longer deemed to be Outstanding as such term is defined herein. Once the Required Reserve is on deposit in the Reserve Fund, any interest income earned on money deposited in the Reserve Fund shall be transferred by the Corporation to the Bond Fund.

The total amount to be accumulated and maintained in the Reserve Fund by reason of the issuance of the Bonds shall be \$272,136.81 (the "Required Reserve"), and immediately following the delivery of the Bonds to the Purchasers, there shall be deposited to the credit of the Reserve Fund the Required Reserve.

As and when Additional Obligations are delivered or incurred, the Required Reserve shall be increased, if required, to an amount equal to the lesser of (i) average annual Debt Service (calculated on a Fiscal Year basis) for all Parity Obligations then Outstanding (after giving effect to the issuance of the Additional Obligations), as determined on the date each series of Additional Obligations are delivered or incurred, as the case may be or (ii) the maximum amount in a reasonably required reserve fund that can be invested without restriction as to yield pursuant to Subsection (d) of section 148 of the Internal Revenue Code of 1986, as amended, and regulations promulgated thereunder. Any additional amount required to be accumulated and maintained in the Reserve Fund shall be accumulated by the deposit to the credit of the Reserve

6. Discussion and Action: DCM Bylaws Amendment, Article III Directors 3.03 and 3.09

Memo

To: DCM Board of Directors
From: Melissa Ramirez, Executive Director
CC: File
Date: 7/17/2020
Re: DCM Bylaws Amendment

There are two items that need to be discussed:

The DCM bylaws do not have a residency requirement (3.03).

Any action taken by the Board shall require the affirmative vote of no less than four (4) Directors.

Note: Any amendment will need to approve by the City Commission.

Recommendation: Will of the Board.

BYLAWS OF
THE DEVELOPMENT CORPORATION OF MERCEDES, INC.
A NON-PROFIT CORPORATION
MERCEDES, TEXAS

ARTICLE I

- 1.01 The principal office of the Development Corporation of Mercedes, Inc. (the "corporation") shall be at City Hall, 400 South Ohio, Mercedes, Texas 78570, and the name of its registered agent at such address is Richard Garcia.

ARTICLE II
PURPOSES

- 2.01 The corporation is a non-profit corporation organized pursuant to the Development Corporation Act of 1979, as amended, and specifically governed by Section 4A of said Act. The purpose of the Corporation is to promote, assist, and enhance economic and industrial development in accordance with the Articles of Incorporation.

ARTICLE III
DIRECTORS

- 3.01 The affairs of the corporation shall be managed by a Board of Directors (the "Board") which shall be composed in its entirety of persons appointed by, and whose terms of offices shall be fixed by, the governing body of the City of Mercedes, Texas (the "City").
- 3.02 In addition, the Board may, by contract, resolution, or otherwise, give general or limited or special power and authority to officers and employees of the corporation to transact the general business or any special business of the corporation, and may give powers of attorney to agents of the corporation to transact any special business requiring such authorization.
- 3.03 The authorized number of Directors of this Board shall be seven (7), appointed in the manner provided in the Articles of Incorporation. In accordance with section 4A of the Development Corporation Act of 1979, as amended, Board members serve at the pleasure of the governing body of the City. Two (2) members shall be the President of the Mercedes Area Chamber of Commerce, or representative from the Chamber of Commerce, and the outgoing Mayor of the City of Mercedes, or representative from the City of Mercedes. No member of the City

Commission may be a voting member of the Development Corporation of Mercedes.

- 3.04 The Board, acting for the corporation, shall have and exercise all of the rights, powers, privileges, authority, and functions given by the general laws of Texas to nonprofit corporations incorporated under the Texas Non-Profit Corporation Act, as amended (Article 1396-1.01, et seq., Texas Revised Civil Statutes Annotated) and other such powers given by the Development Corporation Act of 1979, as amended (Article 5190.6, Texas Revised Civil Statutes Annotated).
- 3.05 The Board is hereby required to perform the following duties:
1. The Board shall develop an overall economic and industrial development strategy for the City.
 2. The corporation's focus will be primarily in the areas of business retention and expansion, formation of new businesses, business attraction, and the enhancement of community assets to promote economic development.
 3. Assurance of accountability for all sales tax funds and all other funds received and expended by the corporation.
 4. The corporation shall make reports to the City Commission to include a review of revenues received and expended by the corporation from the City.
- 3.06 The corporation is authorized to do that which the Board deems desirable to accomplish any of the powers or duties set out or alluded to hereinabove and in accordance with State Law.
- 3.07 The annual meeting of the Board shall be held at the Principal Office of the Corporation in January. The Board shall meet in regular meeting at least once each month or on an on call basis at a place and time to be determined by the President and shall be conducted pursuant to all applicable laws. Special meetings of the Board may be called by the President or any three (3) Directors on three (3) days notice to each Director, either personally, by mail, or by telephone. Directors may execute written waivers of notice of any meeting. All meetings shall be conducted in accordance with the requirements of the Texas Open Meeting Act. All meetings of the Board of Directors shall be within the city limits of the City of Mercedes.
- 3.08 Regular attendance at the Board meetings is required of all members. Three (3) consecutive absences and/or attendance reflecting absences constituting 50% of the meetings over a 12-month period may constitute the need for replacement of a member. In that event, the member will be counseled by the Board and

subsequently, the Board may submit, in writing, to the City Manager of the City of Mercedes a request that the member be replaced by the Mercedes City Commission.

- 3.09 For the purpose of convening a meeting and transacting business, a quorum shall consist of four (4) Directors. If a quorum shall not be present at any meeting of the Directors, the Directors present thereat may recess the meeting from time to time, without notice other than announcement at the meeting until a quorum shall be present. Any action taken by the Board shall require the affirmative vote of no less than four (4) Directors.
- 3.10 The Board shall be responsible to the Mercedes City Commission for the proper discharge of the Board's duties as assigned in these bylaws and by the Articles of Incorporation. Its authority is limited by applicable laws, contracts that may be entered into with the City or other entities, and budget and fiduciary responsibilities. The Board, on behalf of the corporation, may request that administrative departments of the City provide assistance to the corporation and the Board in fulfilling its duties. The City and the Board may agree to reimburse any such administrative department's budget for the cost of such services so provided. The corporation may seek legal assistance through the City Attorney or a separate attorney engaged by it for that purpose.
- 3.11 In addition to the Mayor and City Commissioners, the City Manager of the City of Mercedes shall serve as an ex-officio non-voting member of the Board.

ARTICLE IV NOTICES

- 4.01 Whenever, under the provisions of the governing statutes or of these bylaws, notice is required to be given to any Director, it shall be construed to mean notice in writing, by mail or in person, addressed to such Director at address as appears on the books of the corporation, and such notice shall be deemed to be given at the time when the same shall be thus mailed. Whenever any notice is required to be given under the provisions of the statutes or bylaws, a waiver thereof in writing signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto.

ARTICLE V OFFICERS

- 5.01 The elected officers of the corporation shall be a President, Vice-President, Secretary, and Treasurer. Any two (2) offices may be held by the same person, except the offices of the President and Secretary.

7. Discussion and Action: City Manager Advisory Board

Memo

To: DCM Board of Directors
From: Melissa Ramirez, Executive Director
CC: File
Date: 7/17/2020
Re: City Manager Advisory Committee

The City Commission created the City Manager's Advisory Committee to advise on ways to improve and develop the City. Please see attached email for more information.

Recommendation: Appoint one DCM Board Member

Melissa Ramirez

From: Sergio Zavala <szavala@cityofmercedes.com>
Sent: Tuesday, June 23, 2020 9:10 AM
To: Melissa Ramirez; Fred Gonzalez; Sergio Zavala
Subject: Committee Members

A few weeks ago, the City Commission chose certain citizens to be on a new City Manager's Advisory Committee (advise on general ideas to improve & develop the city). We are to meet once a quarter. With this expressed, it occurred to me that I probably had not alerted y'all that the City Commission wanted 1 member from the Chamber of Commerce and 1 member from the DCM - - I apologize for not doing so back then.

At this time, I'm asking for recommendations from y'all on who may be good to serve on this brainstorming committee.

Let me know when you have a chance...thx.

--

Sergio Zavala
City Manager
CITY OF MERCEDES, TEXAS
400 S. Ohio Ave.
Mercedes, TX. 78570
(956) 565-3114, Ext. 127
szavala@cityofmercedes.com

8. Executive Session: Section 551.071: pending legal issues with and on any regular agenda item requiring confidential, attorney-client advice necessitated by the deliberation or discussion of said item as needed.

9. Discussion and Action: item #8

10. Adjournment