

ORANGE ECONOMIC DEVELOPMENT CORPORATION AGENDA

Orange Public Library Auditorium
220 N. Fifth Street
Orange, Texas

December 8, 2015
8:30 A.M.

1. **CALL TO ORDER** President Mortimer
2. **MOTION**
 - a) Motion finding that the advance posting and notice requirements of Article 8.1200 of the Code of Ordinances of the City of Orange, Texas have been met in relation to all minutes and pending resolutions on this agenda and that the reading of such items be confined to the caption of the resolutions. 1 Directors
3. **APPROVAL OF MINUTES**
 - a) September 8, 2015 Economic Development Corporation Meeting 2 Directors
4. **DISCUSSION/ACTION**
 - a) Consider a motion acknowledging receipt of the Orange Economic Development Corporation Investment Report for the quarter ending September 30, 2015. 4 Staff: English
 - b) Consider a motion acknowledging receipt of the 2015 Orange Economic Development Corporation Initial Communication with Governance Letter as presented by Charles E. Reed & Associates, P.C. 6 Staff: English
5. **REPORTS FROM DIRECTORS** Directors
6. **ADJOURN TO CLOSED EXECUTIVE SESSION**
 - a) Deliberation Regarding Economic Development Negotiations:
 - (1) Deliberation regarding real estate development project proposal as authorized by Section 551.087 of the Texas Government Code. Directors
7. **RECONVENE IN OPEN SESSION**
 - a) Take action as necessary regarding Item 6 a (1) above. Directors
8. **ADJOURNMENT**

STATE OF TEXAS }
COUNTY OF ORANGE }

September 8, 2015

BE IT REMEMBERED THAT a meeting of the Orange Economic Development Corporation of the City of Orange, Orange County, Texas, was held in the Library Auditorium on Tuesday, September 8, 2015.

EDC MEMBERS PRESENT:	George Mortimer Ebb Moore Jimmy Sims Mary McKenna Larry Spears Jr.	President Treasurer Director Director Director
DIRECTORS ABSENT:	Dean Granger David Meaux	Vice-President Secretary
COUNCIL MEMBERS PRESENT:	Patrick A. Pullen Dr. Wayne Guidry Essie Bellfield Bill Mello	Council Member Council Member Council Member Council Member
COUNCIL MEMBERS ABSENT:	None	
STAFF MEMBERS PRESENT:	Dr. Shawn Oubre Jay Trahan Kelvin KnauF Gail English Rhonda Haskins Patricia Anderson Mike Zeto Andrew Culpepper	City Manager Assistant City Manager, Director of Economic Development Director of Planning & Community Development Director of Finance City Secretary Deputy City Secretary CIS Manager City Attorney

President Mortimer called the meeting to order at 8:30 A.M.

MOTION FINDING THAT THE ADVANCE POSTING AND NOTICE REQUIREMENTS OF ARTICLE 8.1200 OF THE CODE OF ORDINANCES OF THE CITY OF ORANGE, TEXAS HAVE BEEN MET IN RELATION TO ALL MINUTES AND PENDING RESOLUTIONS ON THIS AGENDA AND THAT THE READING OF SUCH ITEMS BE CONFINED TO THE CAPTION OF THE RESOLUTIONS

Director Sims moved to approve the motion. Second to the motion was made by Director McKenna which carried unanimously.

APPROVAL OF MINUTES

Treasurer Moore moved to approve the minutes of the August 25, 2015 Orange Economic Development Corporation Meeting. Second to the motion was made by Director McKenna which carried unanimously.

DISCUSSION/ACTION

MOTION OF INTENT TO ENTER INTO AN AGREEMENT WITH GRIFFITH MOSELEY JOHNSON AND ASSOCIATES, INC., ("GMJ") FOR PROFESSIONAL CONSULTING SERVICES FOR ATTRACTING INDUSTRIAL AND RETAIL DEVELOPMENT IN THE CITY OF ORANGE AT A RATE OF \$200 PER HOUR, AND APPROVED ADDITIONAL EXPENSES FOR TRAVEL OUTSIDE A 60-MILE RADIUS OF THE GMJ OFFICE LOCATED IN PORT ARTHUR, TEXAS, FOR THE PURPOSE OF ECONOMIC DEVELOPMENT.

Director Spears moved to approve the motion. Second to the motion was made by Director McKenna which carried unanimously.

MOTION AUTHORIZING THE PRESIDENT OF THE ORANGE ECONOMIC DEVELOPMENT CORPORATION TO EXECUTE AN ENGAGEMENT LETTER FOR FISCAL YEAR 2015 WITH THE AUDITING FIRM OF CHARLES E. REED & ASSOCIATES, P.C.

Director Sims moved to approve the motion. Second to the motion was made by Director Spears which carried unanimously.

REPORTS FROM DIRECTORS

No reports were given.

ADJOURNMENT

There being no further business before the Corporation, Director Spears moved to adjourn the meeting. Second to the motion was made by Treasurer Moore which carried unanimously.

The meeting adjourned at 8:38 A.M.

George Mortimer, President

ATTEST:

David Meaux, Secretary

**Orange Economic Development Corporation
Investment Report - Quarter Ended September 30, 2015**

	<u>Original Purchase Cost</u>	<u>Accrued Book Value</u>	<u>Present Market Value</u>	<u>Maturity Value</u>	<u>Purchase Date</u>	<u>Maturity Date</u>	<u>Yield %</u>	<u>Earnings</u>	<u>Annualized Earnings</u>	<u>Term Days</u>	<u>Days to Maturity</u>
First Financial Bank	245,000.00	245,000.00	245,000.00	245,735.00	13-Aug-15	13-Aug-16	0.3000%	735.00	735.00	365	318
Total	245,000.00	245,000.00	245,000.00	245,735.00			0.3000%	735.00	735.00	365	

<u>Investment Activities 06/30/2015 - 09/30/2015</u>	
Prior Balance	\$0.00
Investment Purchases	245,000.00
Investment Maturities	0.00
Ending Balance	\$245,000.00

	<u>09/30/2015</u>	<u>06/30/2015</u>
Quarter Ending Information		
Investment Purchase Cost	\$245,000.00	\$0.00
Accrued Book Value	\$245,000.00	\$0.00
Present Market Value	\$245,000.00	\$0.00
Maturity Value	\$245,735.00	\$0.00
Earnings on Investments at Maturity	\$735.00	\$0.00
Annualized Earnings	\$735.00	\$0.00
Average Length to Maturity	365	0
Average Rate of Return	0.3000%	0.0000%
Quarterly Trust Fee (\$2,500 Annually)	\$0.00	(\$625.00) *
Annualized Rate of Return - Net	0.300%	-0.199%
Cash Balance and CD's - EOQ	\$2,472,523.72	\$2,647,641.39
Collateral Pledged (Market) - EOQ	\$2,270,838.62	\$2,732,957.10
Quarterly Interest Earned on Checking	\$1,533.00	\$1,358.88
Average Monthly Cash Balance	\$2,351,329.45	\$2,301,723.61
Average Annualized Earnings on Checking	\$6,082.01	\$5,450.45
Average Annualized Rate on Checking	0.2587%	0.2368%
Annualized Rate of Return - Adj for Checking	0.2626%	0.1282% *
Type Breakdown:		
Treasury Bills	\$0.00	\$0.00
Government Agencies	\$0.00	\$0.00
Certificates of Deposit	\$245,000.00	\$0.00
Issuer Breakdown:		
US Treasury Bills	\$0.00	\$0.00
FHLDN	\$0.00	\$0.00
FMDN	\$0.00	\$0.00
Certificates of Deposit	\$245,000.00	\$0.00
Maturity Breakdown:		
Less Than 90 Days	\$0.00	\$0.00
90 to 180 Days	\$0.00	\$0.00
181 to 365 Days	\$245,000.00	\$0.00

The Orange Economic Development Corporation is currently in compliance with the Public Funds Investment Act. The EDC Board will continue to receive quarterly investment reports.

Submitted by: 
Shawn Oubre, City Manager


Gail English, Director of Finance


Sherry Jackson, Accounting Manager

MOTION

Motion acknowledging receipt of the Orange Economic Development Corporation Investment Report for the quarter ending September 30, 2015.

George Mortimer, President

ATTEST:

David Meaux, Secretary

December 8, 2015



Charles E. Reed & Associates, P.C.
Certified Public Accountants & Consultants

Member

American Institute of
Certified Public Accountants

Texas Society of
Certified Public Accountants

AICPA Private
Companies Practice Section

October 28, 2015

To the Board of Directors
Orange Economic Development Corporation
803 West Green Avenue
Orange, Texas 77631-0520

We are engaged to audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Orange Economic Development Corporation for the year ended September 30, 2015. Professional standards require that we provide you with the following information related to our audit. We would also appreciate the opportunity to meet with you to discuss this information further since a two-way dialogue can provide valuable information for the audit process.

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated August 12, 2015, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

Generally accepted accounting principles provide for certain required supplementary information (RSI) to supplement the basic financial statements. Our responsibility with respect to the RSI, which supplement(s) the basic financial statements, is to apply certain limited procedures in accordance with generally accepted auditing standards. However, the RSI will not be audited and, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance, we will not express an opinion or provide any assurance on the RSI.

Planned Scope, Timing of the Audit, and Other

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. We will generally communicate our significant findings at the conclusion of the audit. However, some matters could be communicated sooner, particularly if significant difficulties are encountered during the audit where assistance is needed to overcome the difficulties or if the difficulties may lead to a modified opinion. We will also communicate any internal control related matters that are required to be communicated under professional standards.

We expect to begin our audit on approximately November 9, 2015 and issue our report on approximately January 15, 2016. Charles G. Reed, CPA is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Beaumont

6850 Phelan Boulevard
Beaumont, Texas 77706
(409) 833-8986 • Fax: (409) 833-4486

Port Arthur

3636 Professional Drive
Port Arthur, Texas 77642
(409) 983-3277 • Fax: (409) 983-3270

Silsbee

295 Hwy. 327 East
Silsbee, Texas 77656
(409) 385-2806 • Fax: (409) 385-4338

This information is intended solely for the use of the Board of Directors and management of the Orange Economic Development Corporation and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Charles E. Reed and Associates, P.C.

Charles E. Reed and Associates, P.C.

Certified Public Accountants and Consultants

MOTION

Motion acknowledging receipt of the 2015 Orange Economic Development Corporation Initial Communication with Governance Letter as presented by Charles E. Reed & Associates, P.C.

George Mortimer, President

ATTEST:

David Meaux, Secretary

December 8, 2015