

**AZLE MUNICIPAL DEVELOPMENT DISTRICT  
REGULAR MEETING**

**CITY COUNCIL CHAMBERS  
613 S.E. PARKWAY  
AZLE, TEXAS 76020**

**TUESDAY, August 8, 2017**

**AGENDA**

**President Ray Ivey  
Vice President Kevin Ingle  
Secretary Joe McCormick**

**Director Jack Stevens  
Director Justin Berg  
Council Member Bill Jones  
Council Member David McClure**

**REGULAR SESSION  
CALL TO ORDER**

**6:30 p.m.**

**PRESENTATION**

1. Presentation of the MDD's Quarterly Investment Report for Quarter ended June 30, 2017  
**Renita Bishop, Finance Director**
2. Monthly report  
**Karen Dickson, Economic Development Director**

**ACTION ITEMS**

3. Consider approving the Minutes of the July 11, 2017 Azle MDD regular meeting  
**Joe McCormick, Secretary**

**DISCUSSION ITEMS**

4. Discuss proposed FY 2017-18 MDD Budget  
**Tom Muir, Executive Director**
5. Discussion regarding Azle Municipal Development District plans/procedures/policies.  
**Ray Ivey, President**

**ADJOURNMENT**

I, the undersigned authority, do hereby certify the above Agenda was posted at City Hall on August 4, 2017 at the City's official bulletin board and is readily accessible to the public at all times in accordance with V.T.C.A. Chapter 551, Texas Government Code.



**Susie Hiles, Assistant to the City Manager**

**Date Agenda Removed from Posting**

*This facility is wheelchair accessible and handicapped parking spaces are available. Auxiliary aids and services are available to a person when necessary to afford an equal opportunity to participate in city functions and activities. Auxiliary aids and services or accommodations should be requested forty-eight hours prior to the scheduled starting time by calling the City Secretary's Office at 817-444-7101.*

Complete MDD Agenda packet and background information are available for review at the City Secretary's Office and on our website [www.cityofazle.org](http://www.cityofazle.org).

# Municipal Development District Communicator

Item # 1

<b>Submitted By:</b> Renita Bishop – Finance Director	<b>Date:</b> August 4, 2017
<b>Subject:</b> Presentation of the Quarterly Investment Report for month ended June 30, 2017.	

<b>Action Requested:</b> Presentation, no action required.
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<b>Purpose (Outline – Who, What, Where, Why &amp; How).</b> Finance.
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<b>Checklist of Attachments</b>			
<input type="checkbox"/> Contract	<input type="checkbox"/> Agreement	<input type="checkbox"/> Ordinance	<input type="checkbox"/> Resolution
<input type="checkbox"/> Policy	<input type="checkbox"/> Applications	<input type="checkbox"/> Legal Opinion	<input type="checkbox"/> Minute Order
<input type="checkbox"/> Letter/ Memo / Report From Applicant	<input type="checkbox"/> P&Z Minutes	<input type="checkbox"/> Board Minutes	<input type="checkbox"/> Other Minutes
<input type="checkbox"/> Staff	<input type="checkbox"/> Checklist	<input type="checkbox"/> Federal Law	<input type="checkbox"/> Plans / Drawings
<input checked="" type="checkbox"/> Other	<input type="checkbox"/> State Law	<input type="checkbox"/> Bid Tabulations	<input type="checkbox"/> Maps
	<input type="checkbox"/> Attachments	<input type="checkbox"/> Notices	<input type="checkbox"/> Charter

**City of Azle  
Municipal Development District  
QUARTERLY INVESTMENT REPORT**

**For the Quarter Ended**

**June 30, 2017**

**Prepared by**


**Valley View Consulting, L.L.C.**

The investment portfolio of the City of Azle Crime Control & Prevention District is in compliance with the Public Funds Investment Act and the Investment Policy and Strategies.



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Investment Officer



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Investment Officer

**Disclaimer:** These reports were compiled using information provided by the City of Azle. No procedures were performed to test the accuracy or completeness of this information. The market values included in these reports were obtained by Valley View Consulting, L.L.C. from sources believed to be accurate and represent proprietary valuation. Due to market fluctuations these levels are not necessarily reflective of current liquidation values. Yield calculations are not determined using standard performance formulas, are not representative of total return yields and do not account for investment adviser fees.

## Summary

### Quarter End Results by Investment Category:

Asset Type	Ave. Yield	June 30, 2017		March 31, 2017	
		Book Value	Market Value	Book Value	Market Value
Bank/Pool/MMMFs	0.88%	\$ 864,173	\$ 864,173	\$ 774,251	\$ 774,251
CDs/Securities/Term	1.00%	449,172	449,172	448,665	448,665
<b>Totals</b>		<b>\$ 1,313,345</b>	<b>\$ 1,313,345</b>	<b>\$ 1,222,916</b>	<b>\$ 1,222,916</b>

#### Current Quarter Portfolio Performance:

Average Quarterly Yield	0.92%
Rolling Three Mo. Treas. Yield	0.91%
Rolling Six Mo. Treas. Yield	0.88%

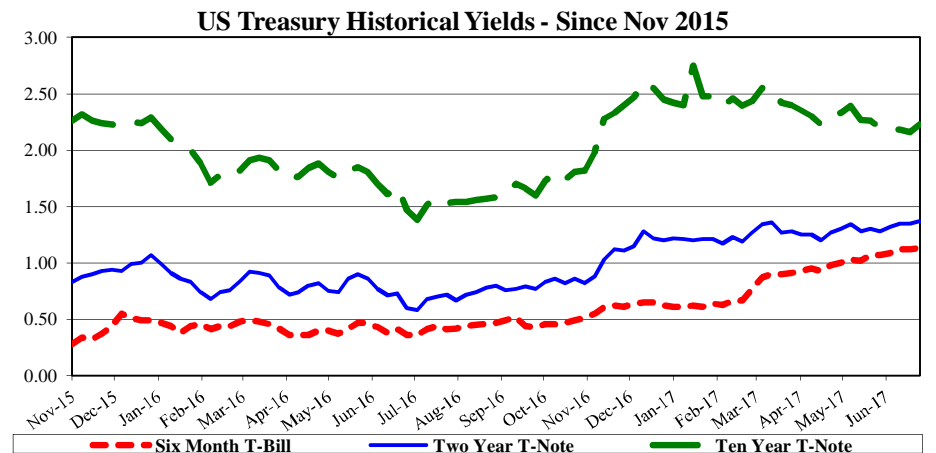
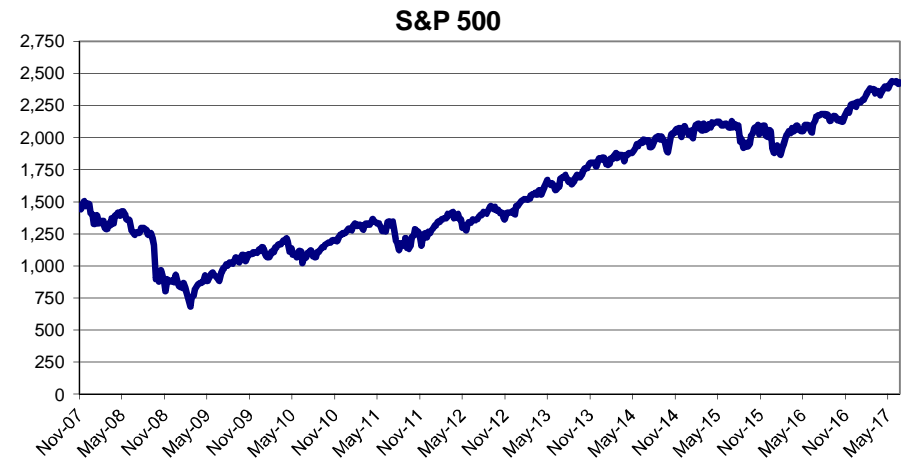
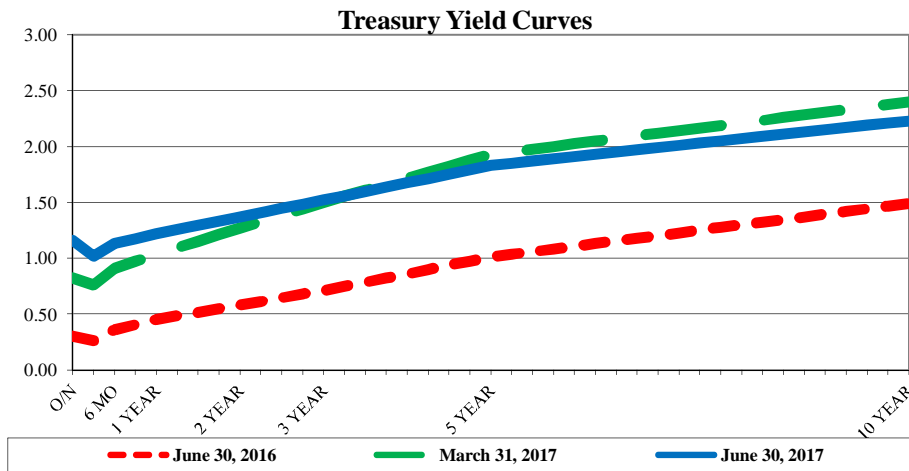
#### Fiscal Year-to-Date Portfolio Performance:

Average Quarter End Yield	0.79%
Rolling Three Mo. Treas. Yield	0.65%
Rolling Six Mo. Treas. Yield	0.68%
Average Quarterend TexPool Yield	0.65%

Quarterly Interest Earnings	\$ 2,019 (Unaudited)
Fiscal YTD Interest Earnings	\$ 6,040 (Unaudited)

Note: Average yields calculated using quarter end report average yield and adjusted book value, but do not include adviser fees and realized and unrealized gains or losses.

The Federal Open Market Committee (FOMC) raised the Fed Funds target range to 1.00% - 1.25% (Effective Fed Funds are trading +/-1.16%) at the June FOMC meeting. The market is not confident additional increases will occur during 2017. The Fed anticipates gradually reducing its government bond holdings. Third revision 1st Quarter 2017 GDP was increased to 1.4%. June Non-Farm Payroll increased 222k, with +47k adjustment to Apr/May. Other US data remained volatile with some negative numbers. The Stock Markets remain high. Monitoring estimated balances and needs will determine laddering opportunities.



## Investment Holdings

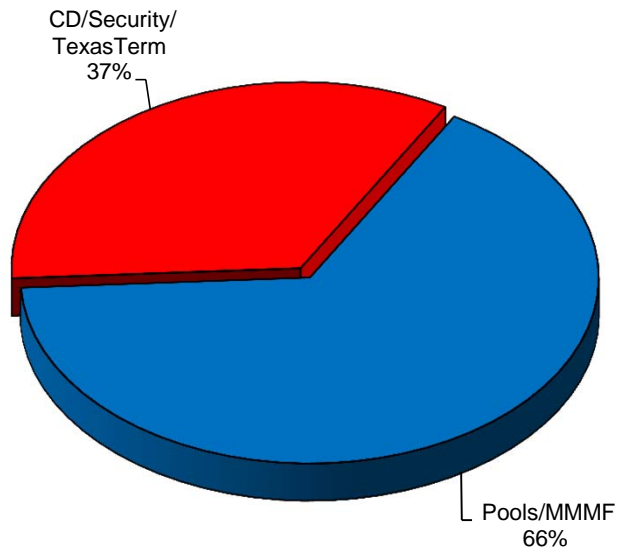
June 30, 2017

Description	Rating	Coupon/ Discount	Maturity Date	Settlement Date	Original Face\ Par Value	Book Value	Market Price	Market Value	Life (Days)	Yield
TexPool	AAAm	0.88%	07/01/17	06/30/17	\$ 864,173	\$ 864,173	1.00	\$ 864,173	1	0.88%
Origin Bank CD		1.00%	08/07/17	08/07/16	125,000	125,000	100.00	125,000	38	1.00%
Lubbock National Bank CD		1.00%	09/24/17	08/24/16	201,672	201,672	100.00	201,672	86	1.00%
Origin Bank CD		1.00%	02/12/18	02/12/17	122,500	122,500	100.00	122,500	227	1.00%
					<b>\$ 1,313,345</b>	<b>\$ 1,313,345</b>		<b>\$ 1,313,345</b>	<b>39</b>	<b>0.92%</b>
									(1)	(2)

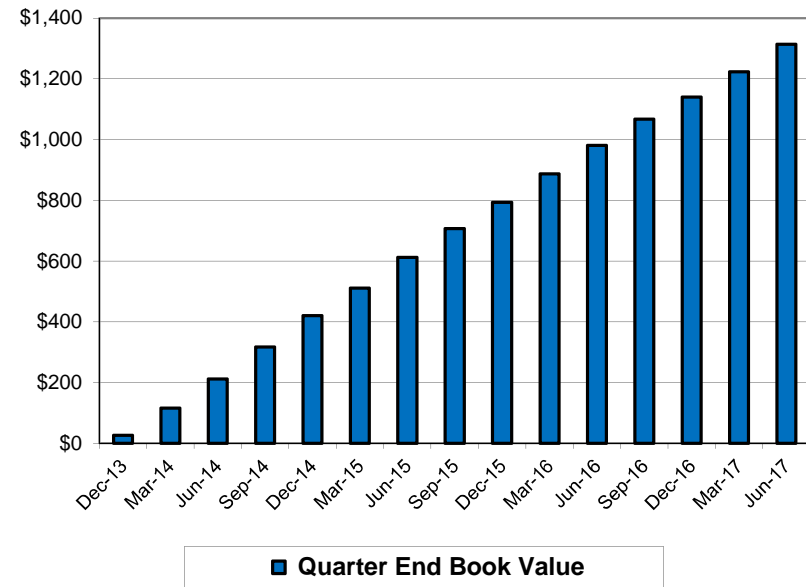
(1) **Weighted average life** - Pools, Money Market Funds, and Bank Deposits are assumed to have a one day maturity.

(2) **Weighted average yield to maturity** - The weighted average yield to maturity is based on Book Value, adviser fees and realized and unrealized gains/losses are not considered. The pool and mutual fund yields are the average for the last month of the quarter.

**Portfolio Composition**



**Total Portfolio (000's)**



## Book Value Comparison

Description	Coupon/ Discount	Maturity Date	March 31, 2017		Purchases at Cost	Sales\ Maturities	June 30, 2017	
			Original Face\ Par Value	Book Value			Original Face\ Par Value	Book Value
TexPool	0.88%	07/01/17	\$ 546,574	\$ 546,574	\$ 317,598	\$ –	\$ 864,173	\$ 864,173
Herring Bank (1)	0.00%	07/01/17	227,677	227,677		(227,677)	–	–
Origin Bank CD	1.00%	08/07/17	125,000	125,000			125,000	125,000
Lubbock National Bank CD	1.00%	09/24/17	201,165	201,165	507		201,672	201,672
Origin Bank CD	1.00%	02/12/18	122,500	122,500			122,500	122,500
<b>TOTAL</b>			<b>\$ 1,222,916</b>	<b>\$ 1,222,916</b>	<b>\$ 318,106</b>	<b>\$ (227,677)</b>	<b>\$ 1,313,345</b>	<b>\$ 1,313,345</b>

## Market Value Comparison

Description	Coupon/ Discount	March 31, 2017			Qtr to Qtr Change	June 30, 2017		
		Original Face\ Par Value	Market Price	Market Value		Original Face\ Par Value	Market Price	Market Value
TexPool	0.88%	\$ 546,574	1.00	\$ 546,574	\$ 317,598	\$ 864,173	1.00	\$ 864,173
Herring Bank (1)	0.00%	227,677	1.00	227,677	(227,677)	–		–
Origin Bank CD	1.00%	125,000	100.00	125,000		125,000	100.00	125,000
Lubbock National Bank CD	1.00%	201,165	100.00	201,165		201,672	100.00	201,672
Origin Bank CD	1.00%	122,500	100.00	122,500		122,500	100.00	122,500
<b>TOTAL</b>		<b>\$ 1,222,916</b>		<b>\$ 1,222,916</b>	<b>\$ 89,921</b>	<b>\$ 1,313,345</b>		<b>\$ 1,313,345</b>

(1) Yield Estimated.



# Municipal Development District Communication

Item # 2

<b>Submitted By:</b> Karen Dickson – Economic Dev Director	<b>Date:</b> August 4, 2017
<b>Subject:</b> EDD Monthly Report	

<b>Action Requested:</b> Present EDD Monthly Report
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<b>Purpose (Outline – Who, What, Where, Why &amp; How).</b>
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<b>Checklist of Attachments</b>			
<input type="checkbox"/> Contract	<input type="checkbox"/> Agreement	<input type="checkbox"/> Ordinance	<input type="checkbox"/> Resolution
<input type="checkbox"/> Policy	<input type="checkbox"/> Applications	<input type="checkbox"/> Legal Opinion	<input type="checkbox"/> Minute Order
<input type="checkbox"/> Letter/ Memo From	<input type="checkbox"/> P&Z Minutes	<input type="checkbox"/> Board Minutes	<input type="checkbox"/> Other Minutes
<input type="checkbox"/> Applicant	<input type="checkbox"/> Checklist	<input type="checkbox"/> Federal Law	<input type="checkbox"/> Plans / Drawings
<input type="checkbox"/> Staff	<input type="checkbox"/> State Law	<input type="checkbox"/> Bid Tabulations	<input type="checkbox"/> Maps
<input type="checkbox"/> <b>Other</b>	<input type="checkbox"/> Attachments	<input type="checkbox"/> Notices	<input type="checkbox"/> Charter

# Municipal Development District Communication

Item # 3

<b>Submitted By:</b> Susie Hiles, Assistant to the City Manager	<b>Date:</b> August 4, 2017
<b>Subject:</b> Azle MDD Board Minutes.	

<b>Action Requested:</b> Consider approving the Minutes of the July 11, 2017 Azle MDD regular meeting
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<b>Purpose (Outline – Who, What, Where, Why &amp; How).</b> Procedural.
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<b>Checklist of Attachments</b>			
<input type="checkbox"/> Contract	<input type="checkbox"/> Agreement	<input type="checkbox"/> Ordinance	<input type="checkbox"/> Resolution
<input type="checkbox"/> Policy	<input type="checkbox"/> Applications	<input type="checkbox"/> Legal Opinion	<input type="checkbox"/> Minute Order
<input type="checkbox"/> Letter/ Memo From	<input type="checkbox"/> P&Z Minutes	<input checked="" type="checkbox"/> Board Minutes	<input type="checkbox"/> Other Minutes
<input type="checkbox"/> Applicant	<input type="checkbox"/> Checklist	<input type="checkbox"/> Federal Law	<input type="checkbox"/> Plans / Drawings
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<input type="checkbox"/> <b>Other</b>	<input type="checkbox"/> Attachments	<input type="checkbox"/> Notices	<input type="checkbox"/> Charter

**MINUTES  
REGULAR MEETING  
AZLE MUNICIPAL DEVELOPMENT DISTRICT  
July 11, 2017**

**DRAFT**

STATE OF TEXAS §  
COUNTY OF TARRANT §  
CITY OF AZLE §

The Azle Municipal Development District of the City of Azle, Texas convened in Regular Session at 6:30 p.m. in the Council Chambers of City Hall, 613 Southeast Parkway, Azle, Texas, on the 11th day of July 2017 with the following members present:

Ray Ivey	President - Place 4
Joe McCormick	Secretary - Place 3
Councilman Bill Jones	Director - Place 1
Councilman David McClure	Director - Place 2
Jack Stevens	Director - Place 5
Tom Muir	Executive Director/City Manager

Constituting a quorum. Vice President Kevin Ingle and Director Justin Berg were excused from tonight's meeting. Staff present was:

Karen Dickson	Economic Development Director
Susie Hiles	Assistant to City Manager- Scribe

The following items were considered in accordance with the official agenda posted on the 7th day of July 2017.

**REGULAR SESSION:**  
**CALL TO ORDER**

6:30 p.m.

Director Muir called the session to order at 6:35 p.m. noting first order of business is the appointment of officers as all terms expired end of June.

**ACTION ITEMS**

**1. Consider any action on appointment of officers to the Azle Municipal Development District**

Director Jack Stevens moved to nominate and appoint the following MDD Officers:

President – Ray Ivey  
Vice President – Kevin Ingle  
Secretary – Joe McCormick

Director Bill Jones seconded the motion and the motion was unanimously approved.

**2. Consider approving the Minutes of the May 9, 2017 Azle MDD regular meeting.**

Director Jack Stevens moved to approve the Minutes as discussed, with second by Director David McClure. The motion was unanimously approved.

**3. Consider any action on providing for amendments to the FY 2016-2017 MDD Budget**

Director Tom Muir presented the proposed amendments to the Board with adjusted revenue projected at \$21,500 more than the original budget - projected increase in actual tax collections and interest earnings. Total expenditures increased \$25,000 over the original budget due to Servolution and the Good Neighbor's Program annual administrative support grant. Revenue still exceeds expenditures. Board would like to see the \$25,000 split 2/3 MDD (\$16,750) and City 1/3 (\$8,250) since some of the program serves the Parker County portion of the city. Mr. Muir will make the adjustment to the proposed budget before presenting the Board approved amended budget to Azle City Council for their consideration.

Director Jack Stevens moved to approve the amendments to the FY 2016 - 2017 MDD Budget, noting the adjustment in the Economic Development line item will be \$16,750 instead of \$25,000 as discussed. Secretary Joe McCormick seconded the motion. The motion was unanimously approved.

**MINUTES  
REGULAR MEETING  
AZLE MUNICIPAL DEVELOPMENT DISTRICT  
July 11, 2017**

**DRAFT**

**4. Consider any action on the proposed FY 2017-2018 MDD Budget**

Director Tom Muir presented the proposed FY 2017 - 2018 MDD Budget with projected revenues of \$450,000 and projected expenditures of \$170,345 – both are a reductions from FY 2016 – 2017 Budget. Mr. Muir pointed out a new line item under Debt Service entitled ‘Transfers’ in the amount of \$93,081. This is the amount the Board approved at the May 9<sup>th</sup> meeting to set aside for ‘Quality of Place’ purposes. The amount will be transferred to the City’s General Fund – maintained in the Capital Outlay line item. Discussion was had regarding the issue of transferring the money. Finance Director Renita Bishop to speak with President Ivey to clarify the issue.

Director Bill Jones moved to approve the proposed FY 2017-2018 MDD Budget as presented and discussed, with second by Director David McClure. The motion was unanimously approved.

As per the MDD Bylaws, Staff will present the Board approved budget to the Azle City Council before August 1. The City Council will consider approval of the proposed MDD budget at the same time they consider approving the City’s proposed FY 2017-18 budget in September.

**PRESENTATION**

**5. Monthly Report on Economic Development**

EDD Dickson reported:

- she is working with Eisenberg & Assoc on the rack card and banners design for the booth to use at the trade show in September.
- she is working on an update email to site selectors to keep Azle on their radar.

Projects:

- Eagle Crest Villa Assisted Living applied for a Façade and Sign Improvement Grant in the amount of \$5,647 for landscaping improvements and new sign. It will be presented to Council for approval at the July 18 council meeting. Receiving inquiries regarding the Façade and Sign Improvement Grant; two significant applications should be coming through soon.
- Russell Feed has been issued a building permit for a 6,000 sq ft building expansion, which will mostly be used for storage.
- VWMB, industrial refrigeration company, is doing a 2,500 sq ft expansion to their current building.

**DISCUSSION ITEMS**

**6. Discussion regarding Azle Municipal Development District plans/procedures/policies as well as funding opportunity options.**

No items were discussed.

**ADJOURNMENT**

President Ray Ivey adjourned the meeting at 7:57 p.m.

**PRESENTED AND APPROVED this the 8th day of August, 2017.**

**APPROVED:**

\_\_\_\_\_  
Ray Ivey, President

**ATTEST:**

\_\_\_\_\_  
Joe McCormick, Secretary

# City Council Communication

Item # 4

**Submitted By:** Tom Muir, Executive Director

**Date:** August 4, 2017

**Subject:** Proposed FY 2017-18 Budget

**Action Requested:** Discussion regarding the proposed FY 2017-18 budget

**Purpose (Outline – Who, What, Where, Why & How)**

Discuss the *Quality of Place* funds

**Checklist of Attachments**

<input type="checkbox"/> Contract	<input type="checkbox"/> Agreement	<input type="checkbox"/> Ordinance	<input type="checkbox"/> Resolution
<input type="checkbox"/> Policy	<input type="checkbox"/> Applications	<input type="checkbox"/> Legal Opinion	<input type="checkbox"/> Minute Order
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<input type="checkbox"/> Other	<input type="checkbox"/> Attachments	<input type="checkbox"/> Notices	<input type="checkbox"/> Charter