



Hon. Hon. Matthew Wright, Chair
Hon. Jerry Barker, Vice-Chair

Alfred Solano, Secretary/Treasurer
Russell Devorsky, President

March 24, 2022

THE HEART OF TEXAS ECONOMIC DEVELOPMENT DISTRICT, INC.

BOARD OF DIRECTORS MEETING AGENDA

The Heart of Texas Economic Development District, Inc., Board of Directors will meet on Thursday, March 24, 2022 at 1:00 P.M. at the Heart of Texas Council of Governments Board room, 1514 S New Road, Waco Texas 76711.

- I. **Call to Order and Determination of a Quorum**
 - A. Roll Call

- II. **Acknowledgment of Notice Giving Public Access to Meeting**

- III. **Introduction of Guests and Public Comment(s)**

- IV. **Chair Report**

- V. **Consent Agenda**

Ratification of previous Board of Directors Executive Committee Meetings

- Approval of the April 22, May 23, & December 18, 2021 Meeting Minutes
- Approval of the January 27, 2022 Meeting minutes.
- Review and approval of Fiscal Year 2020 HOTEDD Audit
- Review and Approval of HOTEDD 2019 (for the year ending 9/30/20) Tax Return for Exempt Organizations
- July 2021 Financial Report
- Fiscal Year 2021-2022 Budget Review/Approval

VI. **Consideration and/or Action on the following:**

A. Election of Officers and Members

1. Nominations Committee Report/Action of recommendation (Current Officers: Matthew Wright, Chair, Jerry Barker, Vice Chair, and Alfred Solano, Secretary/Treasurer)

2. Re-Appointment of Members to the Board (2 year terms):
Kevin Benedict, Charles Eaton, Robert Hawkins, Damaris Neelley, Calvin Rueter, Dick Van Dyke, and Ignacio Vasquez

3. Appointment of New Board Members (if any):

B. Comprehensive Economic Development Strategy (CEDS)

1. Approval of HOTEDD to continue serving as the CEDS Committee for the Heart of Texas Region as HOTEDD must reappoint itself each year.
2. Approval of the CEDS Update Advisory Committee to continue working with staff for 2022.
3. Appointment of 2022 CEDS Update Advisory Committee
2021 Committee: Robert Hawkins; Damaris Neelley; Dick Van Dyke, and David Davis

VII. Chairman Report (no action required)

Committee Appointments

A. Entrepreneurship & Small Business Development Committee Members

Kevin Benedict (Chair), Jerry Barker, Dick Van Dyke, Matthew Wright, Alfred Solano

B. Housing Committee Members

Jerry Barker (Chair), Damaris Neelley, Ray O'Docarty, Keith Whitfield, Calvin Rueter.
Ignacio Vasquez added.

C. Education & Workforce Development Committee Members

Robert Hawkins (Chair), Scott Felton, Linda Grant, Justin Lewis, Keith Whitfield.

D. Regional Marketing Committee Members

Jerry Barker (Chair), Jay Elliott, Art Mann, Damaris Neelley, Matthew Wright

E. Revolving Loan Fund Committee

Damaris Neelley (Chair), Kevin Benedict, Justin Lewis, Robert Hawkins Alfredo Solano, Jay Elliott. Charles Eaton added


F. Workforce Committee

Jerry Barker (Chair), Robert Hawkins, Randy Riggs, Damaris Neelley. David Davis added

VIII. President and Staff Reports

- A. Staff Report
- B. Financial Report
- C. President Report

IX. Adjournment



Russell Devorsky, President



Hon. Hon. Matthew Wright, Chair
Hon. Jerry Barker, Vice-Chair

Alfred Solano, Secretary/Treasurer
Russell Devorsky, President

March 24, 2022

THE HEART OF TEXAS ECONOMIC DEVELOPMENT DISTRICT, INC.

EXECUTIVE MEETING AGENDA

The Heart of Texas Economic Development District, Inc., Executive Committee will meet on Thursday, March 24, 2022 at 1:00 P.M. at the Heart of Texas Council of Governments Board room, 1514 S New Road, Waco Texas 76711.

I. Call to Order and Determination of a Quorum

A. Roll Call

II. Acknowledgment of Notice Giving Public Access to Meeting

III. Introduction of Guests and Public Comment(s)

IV. Chair Report

V. Consent Agenda

Ratification of previous Board of Directors Executive Committee Meetings

- Approval of the April 22, May 23, & December 18, 2021 Meeting Minutes
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VI. Consideration and/or Action on the following:

A. Election of Officers and Members

1. Nominations Committee Report/Action of recommendation (Current Officers: Matthew Wright, Chair, Jerry Barker, Vice Chair, and Alfred Solano, Secretary/Treasurer)

2. Re-Appointment of Members to the Board (2 year terms):

Kevin Benedict, Charles Eaton, Robert Hawkins, Damaris Neelley, Calvin Rueter, Dick Van Dyke, and Ignacio Vasquez

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B. Comprehensive Economic Development Strategy (CEDS)

1. Approval of HOTEDD to continue serving as the CEDS Committee for the Heart of Texas Region as HOTEDD must reappoint itself each year.
2. Approval of the CEDS Update Advisory Committee to continue working with staff for 2022.
3. Appointment of 2022 CEDS Update Advisory Committee
2021 Committee: Robert Hawkins; Damaris Neelley; Dick Van Dyke, and David Davis

VII. Chairman Report (no action required)

Committee Appointments

A. Entrepreneurship & Small Business Development Committee Members

Kevin Benedict (Chair), Jerry Barker, Dick Van Dyke, Matthew Wright, Alfred Solano

B. Housing Committee Members

Jerry Barker (Chair), Damaris Neelley, Ray O'Docarty, Keith Whitfield, Calvin Rueter.
Ignacio Vasquez added.

C. Education & Workforce Development Committee Members

Robert Hawkins (Chair), Scott Felton, Linda Grant, Justin Lewis, Keith Whitfield.

D. Regional Marketing Committee Members

Jerry Barker (Chair), Jay Elliott, Art Mann, Damaris Neelley, Matthew Wright

E. Revolving Loan Fund Committee

Damaris Neelley (Chair), Kevin Benedict, Justin Lewis, Robert Hawkins Alfredo Solano, Jay Elliott. Charles Eaton added

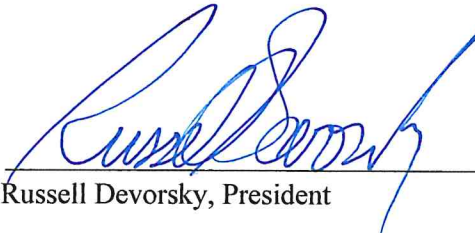
F. Workforce Committee

Jerry Barker (Chair), Robert Hawkins, Randy Riggs, Damaris Neelley. David Davis added

VIII. President and Staff Reports

- A. Staff Report
- B. Financial Report
- C. President Report

IX. Adjournment



Russell Devorsky, President



Hon. Jerry Barker, Chair
Hon. Alfred Solano Vice-Chair

Ignacio Vasquez, Secretary/Treasurer
Russell Devorsky, President

THE HEART OF TEXAS ECONOMIC DEVELOPMENT DISTRICT, INC.

Meeting Minute January 27, 2021

The Heart of Texas Economic Development District, Inc., Executive Committee met on Thursday, January 27, 2022 at 1P.M. or immediately after HOTCOG luncheon at the Hilton, 113 South University Parks Drive, Waco Texas 76701.

Members Present:

Charles Eaton	Dick Van Dyke
David Davis	Matthew Wright
Ignacio Vasquez	Ray O'Docharty
Robert Hawkins	Scott Felton

Staff Present:

Russell Devorsky	John Minnix
Dorothy Jackson	Falen Bohannon
Harold Ferguson	

- I. **Call to Order and Determination of a Quorum**
 - At 1p.m. Chair Matthew Wright called the meeting to order and asked if quorum had been met. Dorothy Jackson responded that quorum was not met for Board meeting but is met for Executive members.
- II. **Acknowledgment of Notice Giving Public Access to Meeting**
 - Matthew Wright asked if proper notice had been given and Dorothy Jackson responded that proper notice had been given.
- III. **Introduction of Guests and Public Comment(s)**
 - No Guests
- IV. **Chair Report**
 - No report given
- V. **Ratification of May 23, 2021, April 22, 2021, December 18, 2021 Board of Directors Committee Meetings**
 - Deterred until next meeting date
- VI. **Consideration and/or Action Items**
 - **Election of Officers and Members**
 - Matthew Wright made a motion to approve the nominations committee report of new officers and members as listed. Officers include: Jerry Barker-Chair, Alfred Solano -Vice Chair, and Ignacio Vasquez -Secretary/Treasurer. Reappointment of new

members include: Kevin Benedict, Charles Eaton, Robert Hawkins, Damaris Neelley, Calvin Rueter, Dick Van Dyke, and Ignacio Vasquez.

- **Comprehensive Economic Development Strategy (CEDS)**
 - Matthew Wright approved HOTEDD to continue serving as the CEDS Committee for the HOTCOG region as HOTEDD must reappoint itself each year.
 - Matthew Wright approved the CEDS Update Advisory Committee to continue working with staff for 2022.
 - Matthew Wright approved the appointment of 2022 CEDS Update Advisory Committee as listed: Robert Hawkins, Damaris Neelley, Dick Van Dyke, and David Davis

VII. Chairman Report (no action required)

- Deterred until next meeting date

VIII. Presidents and Staff Report

- Presidents Report-no report given
- Financial Report-John Minnix gave financial report
- Staff Report-Dorothy Jackson gave report

IX. Adjournment

- HOTEDD adjourned at 1:30 p.m.

Matthew Wright, Chair

March 2022

Economic & Community Development Department Staff Report

REVOLVING LOAN FUND

HOTEDD currently administers two revolving loan funds: One through USDA (United States Department of Agriculture) and one through TDA (Texas Department of Agriculture).

The USDA fund is to support our local businesses so that they can grow, create jobs, and diversify our regional economy. Specifically, the HOTEDD RBEG RLF Program seeks to assist qualified small and emerging businesses in the rural Heart of Texas including Bosque, Falls, Freestone, Hill, Limestone, and rural McLennan Counties. Any private business that will employ 50 or fewer new employees and has less than \$1 million in projected gross revenues located in the rural (as defined by USDA) Heart of Texas region including Bosque, Falls, Freestone, Hill, Limestone and rural McLennan Counties (McLennan County communities that are not contiguous to the City of Waco). On a case by case basis, the Loan Committee may waive this requirement and provide loan funds to a business located outside the region if the committee determines doing so will have a positive economic impact on the community to be assisted with RLF funds. The project will create or retain one full-time job per each \$10,000.00 in loan funding. At least 51 percent of the interest in the business (applicant) must be owned by those who are either citizens of the United States or reside in the United States after being legally admitted for permanent residence certifiable by HOTEDD and USDA. HOTEDD RLF's financial assistance is necessary to the viability of the project: There must be evidence presented by the applicant that demonstrates that the projects financial requirements cannot be met from owner resources or a commercial financial institution.

Texas CDBG funds provided under the TCF SMRF program are required to comply with the national objective of principally benefiting persons of low and moderate income. The objective of the program is to expand economic opportunities that create or retain jobs, principally for low- and moderate-income persons. The SMRF program provides resources for an eligible applicant to support qualified small and microenterprise business(es) (a for-profit entity) to create or retain jobs for Texans. The CDBG regulations provide the following definitions: **Microenterprise Definition**, A "microenterprise" is a commercial enterprise that has five or fewer employees, one or more of whom owns the enterprise. "Persons developing microenterprises" means persons who have expressed interests in and who are, or after an initial screening process are expected to be, actively working toward developing businesses, each of which is expected to be a microenterprise at the time it is formed. 24 CFR §570.201(o)(3); **Small Enterprise Definition** is an enterprise" or "small business" is a commercial enterprise that has 25 or fewer employees, one or more of whom owns the enterprise. Falls County is the only county under the SMRF fund. The funding period through TDA and regulations is over but once TDA closes out the contract with Falls County then HOTEDD can lend the revolving funds back into Falls County without the stricter requirements of TDA. At this time Falls County has not received closeout information.

HOTEDD is currently seeking applicants for approximately \$245,240.79 in USDA revolved funds.

SMRF has \$40,327.08

Currently loans are out to:

Net1 is behind in payments. He has not responded to invoices or email to give request for deferment in writing to us.

KNV Investments is current.

U.S. ECONOMIC DEVELOPMENT ADMINISTRATION GRANTS

EDA prefers to use HOTCOG as the grant administrator of all projects within the HOTCOG region. EDA helps fund the Economic planning division of HOTCOG. All EDA funding projects must support the HOTCOG regions CEDS (Comprehensive Economic Development Strategies). Dorothy Jackson administers all of the grants at this time. This includes help with applications and once grant has been award then all financial reports and special conditions are fielded through Dorothy Jackson and then submitted to EDA.

EDA is seeking new public works grants. Please contact Dorothy Jackson if you have a need that we can fit into the national objective of the EDA.

EDA received disaster funds for Covid-19. These funds have been allocated. They are now doing continuum of the regular public works grants. They expect those funds to be expended by end of this month and the coal community funds to be expended by end of February.

Current EDA funding opportunities:

FISCAL YEAR 2021 AMERICAN RESCUE PLAN ACT

Under the American Rescue Plan, EDA was allocated \$3 billion in supplemental funding to assist communities nationwide in their efforts to build back better by accelerating the economic recovery from the coronavirus pandemic and building local economies that will be resilient to future economic shocks.

American Rescue Plan funding enables EDA to provide larger, more transformational investments across the nation while utilizing its greatest strengths, including flexible funding to support community-led economic development.

With an emphasis on equity, EDA investments made under the American Rescue Plan will directly benefit previously underserved communities impacted by COVID-19.

EDA is making a Coal Communities Commitment, allocating \$300 million of its \$3 billion American Rescue Plan appropriation to ensure support for these communities as they recover from the pandemic and create new jobs and opportunities, including through the creation or expansion of a new industry sector. This commitment will be fulfilled through \$100 million in Build Back Better Regional Challenge grants and \$200 million in Economic Adjustment Assistance grants.

EDA has published the following funding opportunities: **EDA reported all funding has been allocated.**

- Economic Adjustment Assistance (funding will end January)
- Travel, Tourism and Outdoor Recreation (no deadline but EDA strongly advises no later than 1/31/22)
- Indigenous Communities (Deadline 9/30/22)
- Build Back Better Regional Challenge (Closed and funded)
- Statewide Planning, Research and Networks (Original closing was 10/31/21 but extended to 9/30/22)
- Good Jobs Challenge (Deadline 2/10/22)

Deadlines: Varies based on program.

Economic Adjustment Assistance: Rolling. EDA strongly encourages all applicants to start early and contact their EDA representative for assistance.

While EDA encourages eligible applicants to submit their applications as soon as possible, EDA strongly advises eligible applicants to submit complete applications no later than March 31, 2022, so that EDA can review and process the application in time to get a potential award in place prior to deadlines imposed by Congress. Submission by March 31, 2022, is not a guarantee of funding. Any award is subject to the availability of funds. See Section E of this ARPA EAA NOFO regarding EDA's review process.

Travel, Tourism and Outdoor Recreation: Rolling (Competitive Tourism Grants). EDA encourages eligible applicants to submit their applications as soon as possible.

For EDA Competitive Tourism Grants, there are no application submission deadlines. While EDA encourages eligible applicants to submit their applications as soon as possible, EDA strongly advises eligible applicants to submit complete applications no later than January 31, 2022, so that EDA can review and process the application in time to get a potential award in place prior to deadlines imposed by Congress. Submission by January 31, 2022, is not a guarantee of funding. Any award is subject to the availability of funds. See Section E of this ARPA Tourism NOFO regarding EDA's review process.

Indigenous Communities: Rolling. EDA strongly encourages all applicants to start early and contact their EDA representative for assistance.

While EDA encourages eligible applicants to submit their applications as soon as possible, EDA strongly advises eligible applicants to submit complete applications at least by March 31, 2022, so that EDA can review and process the application in time to get a potential award in place prior to deadlines imposed by Congress. Submission by March 31, 2022 is not a guarantee of funding. Any award is subject to the availability of funds. EDA strongly encourages all applicants to start early and contact their EDA representative for assistance. See section E of this Indigenous Communities NOFO regarding EDA's review process and section G of the NOFO for EDA Regional Office Point of Contact (POC) information.

Current Projects HOTCOG is administrating

TSTC Project: Scope of work on this EDA project is to provide COVID responsive renovations in the Technical Studies and Electronics Centers. The renovations are estimated at \$6,113,594.00. TSTC was asking for \$4,800,000.00. EDA came back and approved to give \$3,500,000. TSTC accepted that amount. The final approval letter was issued on April 15, 2021, for project award. Authorized scope of work includes the renovation of building space within the 30,887 -SF Technical Studies Center (TSC) building and 41,223-SF Electronics Center (EEC) building. Other major components for both buildings include Conduct abatement; conduct demolition; installation of electrical, plumbing and IT infrastructure; renovate interior lab and classroom space; and equipment purchase of technology equipment to support on-line lecture distribution. This is the largest project for HOTCOG to administrate under HOTEDD to date. Project paperwork is moving forward. The proper lien filings have been completed and approved by EDA.

EDA has approved TSTC's engineering contract and now TSTC is working on plans and design.

Fairfield Project: This project has been officially awarded for \$950,000.00 September 16, 2021. The Fairfield Economic Development Corporation is making improvements to Old-Mexia Fairfield Road to

accommodate the expected increase in commercial and industrial traffic in the area. The improvements are to construct 3,750 linear feet of industrial grade roadway with a pavement section of 7-inches of concrete pavement and 10-inches of chemically treated subgrade.

Engineering contract has been approved by EDA. Work on site certificates are currently being done.

EDA Disaster funds in response to COVID-19

EDA opened up grant for Regional Council of Governments and Planning Commissions for extra funding in response to Covid-19. HOTEDD was awarded \$400,000.00 that covers next two years for this specific grant. Due to the fact that Covid-19 has totally changed the trajectory of the CEDS for all of the United States they understand the need for planning in regard to such disasters. The following is their scope of Work.

Scope of Work for EDA Economic Development Districts and EDA Indian Tribe Planning Grant Recipients

Under this EDA's CARES Act Recovery Assistance letter invitation for application, an EDA-designated Economic Development District (EDD) or an Indian Tribe that is a current EDA partnership planning grant recipient (Indian Tribe) may apply for funding under one or more of the following Scope of Work elements that has been pre-approved by EDA, based on past planning- and disaster-related grant awards: An EDA Award to an EDD or Indian Tribe shall support authorized activities to prevent, prepare for, and respond to the coronavirus (COVID-19) pandemic, or respond to economic injury as a result of coronavirus, and shall include one or more of the following pre-approved grant activities that shall focus on the geographic region within the EDD or Tribal territory:

1. Short-term and long-term economic development planning and coordination to develop or update a disaster recovery and resiliency economic development plan, focused on pandemic recovery and resiliency, consistent with the approved CEDS maintained by the recipient. Alternatively, rather than a separate plan, the CEDS itself can be updated to include a focus on pandemic recovery or resiliency based on the existing or anticipated COVID-19 impact, general needs, and capacities of the EDD or Indian Tribe;
2. Funding for one or more regional disaster economic recovery coordinators for a two-year period to serve the communities and local governments across the geographic region within the EDD or Tribal territory. Disaster recovery coordinators will also serve as a liaison in identifying potential resiliency, mitigation, and economic recovery projects in the disaster-impacted areas. Additional work elements of the position will include but not be limited to the following:
 - ii. Assist in local, state, and federally led coronavirus recovery planning efforts among the most highly impacted communities;
 - iii. Help identify economic development grant-eligible projects with state and federal resources for locally impacted communities to ensure these entities take full advantage of available funding opportunities;
 - iv. Identify and foster private and non-profit partnership opportunities;

- v. Serve as a liaison between local, state, and federal partners in order to speed the recovery process through strategic technical assistance and local capacity augmentation for the highly impacted communities within the organization’s jurisdiction; and
 - vi. Facilitate the implementation of locally generated disaster recovery economic development projects developed as part of the CEDS or CEDS-aligned economic recovery and resilience plan;
3. Technical Assistance and capacity building for member organizations, local businesses, and other local stakeholders impacted by coronavirus; and/or
 4. Organizational capacity support for coronavirus response, including technology costs and personnel costs for staff members directly working on or supporting the work of the organization’s coronavirus-related economic development response, including additional hiring as needed.

HOTEDD has received grant of \$400,000.00 for the next two year period to address needs within the stated above parameters. Retired Homeland Security Manager, Harold Ferguson, has agreed to work with Dorthy Jackson for the next two years on this project and has come on board as of July 1, 2020. Training, restructuring CEDS & HOTCOG website, and HOTCOG equipment is part of the plan.

Staff reviewed two contractors of website design that submitted proposals. Golden Shovel is the contractor approved and staff is working with them.

Website development complete and the equipment for the board room is installed and at use. Now staff is evaluating the option to make training room available for instructors to hold in class instruction and same time do digital instruction. Staff is looking at different options for spending the remaining funds. Equipment for air purification and Covid tests are part of the planned expenditures.

Training

Staff attended TARC biannual training Feb 8-10 in Austin. EDA did report that all grant funds have been allocated at this time and will let us know if more is allocated to them for disbursement in the future. TDA is reporting that some regions are not expending allocated funds like they should. They are open to suggestions on how to carry forward, such as changing how the State CDBG Board operates.

COMMUNITY DEVELOPMENT

Staff is forwarding information to the community that comes down from Federal partners on upcoming grants.

Texas State offices are still working remotely.

Texas Department of Housing and Community Affairs (TDHCA)

Announced a second Notice of Funding Availability (NOFA) of \$3 million in Community Development Block Grant CARES Act (CDBG-CV) funds for cities, counties, local and regional nonprofits, and regional organizations to provide mortgage assistance through the Texas Emergency Mortgage Assistance Program (TEMAP) to areas not currently covered under the initial TEMAP NOFA earlier this year.

The TEMAP program provides mortgage assistance to homeowners at or below 80% of the Area Medium Income who have been economically impacted by COVID-19 to help provide housing stability during the pandemic. The program can pay up to six consecutive months of an eligible household’s mortgage payments, including mortgage arrears, with at least one of those months covering a month of future

mortgage. The maximum assistance to homeowners must be at or below 150% of the [Small Area Fair Market Rent](#) or 150% of the [Fair Market Rent](#) – whichever is applicable. For areas where no Small Area Fair Market rent is available, Fair Market Rent must be used.

Through the initial TEMAP NOFA mortgage assistance is available to Texas homeowners in 223 Texas counties. This Round 2 TEMAP NOFA targets the remaining 31 Texas counties (see Table below) to ensure geographic distribution is achieved throughout the state and make assistance available to all COVID-19 impacted Texas homeowners struggling with their mortgage due to loss of job, reduced income, or increased living expenses. Eligible applicants are cities and counties in areas not having TEMAP coverage from the initial NOFA awards or local and regional nonprofits, including community action agencies and regional organizations such as councils of governments, willing to serve areas not covered.

Target County Areas

Bosque	Brazos	Brewster	Burleson	Culberson
El Paso	Falls	Fannin	Fayette	Freestone
Grayson	Grimes	Hamilton	Hill	Hudspeth
Jeff Davis	Limestone	Llano	Lee	Leon
Lubbock	Madison	Mason	McLennan	Milam
Mills	Presidio	Robertson	San Saba	Travis
Washington				

HOTCOG applied for all 6 Counties to make sure that there was coverage for everyone in the Region. The EOAC applied also to cover McLennan County and Lazarus House Initiative applied for Limestone County. Following chart is the allocations that is recommended by TDHCA.

Economic Opportunities Advancement Corporation	McLennan County	67	\$ 300,000.00
Heart of Texas Council of Governments	Counties of Hill, Bosque, Falls, and Limestone	63	\$ 200,000.00
Alliance of Border Collaboratives	City of El Paso and west El Paso County including all the cities of Anthony, TX, Vinton, TX and Canutillo, TX.	61	\$ 500,000.00
Travis County	Travis County (Excluding the City of Austin)	60	\$ 415,000.00
Lazarus House Initiative	Freestone County	60	\$ 85,000.00
Hudson County Latino Foundation	Counties of Brazos, Falls, Limestone, and McLennan	56	\$ -

Staff is taking applications for the TEMAP program. Currently we have approved 7 applications and are working on 1 more. We need more applications to come through. **We have approximately \$127,000 left**

to spend. Our contract has been extended to June. If funds are not expected to be obligated by then the remaining amounts will be de-obligated and returned to TDHCA.

TDA (Texas Department of Agriculture)

TDA items in separate report.

TECHNICAL ASSISTANCE

Community and economic development technical assistance was provided to:

- City of West/EDC
- Fairfield EDC
- TSTC
- City of Abbott
- City of Mexia
- Groesbeck EDC
- Freestone County
- Hill County

Solid Waste

The SWAC meet in on July 22, 2021 and determined that the next Biennium will be split with COG managed projects in FY 22 and Implementation projects starting in FY 23. The 2022/2023 biennium will begin October 1st with new funding opportunities for all 6 counties in the HOTCOG region. The City of Gholson was able to conduct a very successful community collection event that involved both roll-off dumpsters and tire trailers. The City of Mart was also able to complete a community collection event. They were able to fill up several dumpsters and a tire trailer. Freestone County utilized 2 tire trailer for their event that started on March 11th. Falls, Bosque, Limestone and Hill still have projects that need to be completed. Hill County is next, with an event starting at the end of March or early April. HOTCOG is still trying to schedule events for Bosque, Falls, and Limestone.

Air Quality

Ramboll completed the final report to the end the FY 20/21 biennium. They have created a Scope of Work to be turned into TCEQ for the new biennium. After TCEQ reviews and accepts the SOW, Ramboll will continue working with HOTCOG to conduct further studies to keep our region in compliance with the ozone standards.

**Heart of Texas
Economic Development District, Inc.**

January-February 2022 Financials

Heart of Texas Economic Development District, Inc.
Balance Sheet
For Month Ended February 28, 2022

Assets

Current Assets

Cash-Due from HOTCOG/Investments	\$ 492,697	
Cash-Revolving Loan Fund	245,241	
Cash-SMRF Fund	40,327	
Pre-paid Items	28,189	
	806,454	\$ 806,454

Notes Receivable

HOTCOG	600,060	
Net 1 Connect	52,420	
KNV Investments-SMRF	36,040	
	688,520	688,520

Fixed Assets

Building	1,924,009	
Land	170,000	
Furniture & Equipment	100,454	
Less: Accumulated Depreciation	(882,079)	
	1,312,384	1,312,384

Total Assets

\$ 2,807,358

Liabilities

Long-term Liabilities

Notes Payable - Extraco Bank (WF Bldg)	600,060	
Notes Payable - Extraco Bank (WF Bldg)	-	
Notes Payable - Extraco Bank (HOTCOG Bldg)	826,918	
Notes Payable - Extraco Bank (HOTCOG Bldg)	-	
	1,426,978	\$ 1,426,978

Total Liabilities

1,426,978

Fund Equity

Unrestricted Net Assets	906,879	
Temporarily Restricted (Revolving Loan Fund)	297,661	
Temporarily Restricted (SMRF Loan Fund)	76,367	
Temporarily Restricted (Building Maintenance)	99,473	
	1,380,380	1,380,380

Total Liabilities & Fund Equity

\$ 2,807,358

**Heart of Texas Economic Development District, Inc.
 Combined Statement of Revenues & Expenditures
 For Month Ended February 28, 2022**

	<u>Jan-Feb</u>	<u>Year To Date</u>	<u>Annual Budget</u>	<u>Budget Remaining</u>
Revenues				
Lease Income-WF Bldg	\$ 65,000	\$ 162,500	\$ 390,000	\$ 227,500
Lease Income - HOTCOG Bldg	43,285	108,213	259,710	151,497
Grant Income-EDA	56,260	107,085	216,785	109,700
Interest Income	133	353	900	547
Fairfield-Industrial Park Road	-	-	6,400	6,400
TSTC-Building Renovation	-	-	14,000	14,000
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Total Revenues	\$ 164,678	\$ 378,151	\$ 887,795	\$ 509,644
Expenditures				
Debt Service Exp-Extraco Banks	\$ 190,727	\$ 286,402	\$ 382,701	\$ 96,299
Maintenance/Repairs/ Renovations	13,067	17,425	35,000	17,575
Committee Travel	3,808	5,709	12,000	6,291
Insurance	-	15,616	15,500	(116)
Management Fee	9,361	23,402	56,165	32,763
Audit	-	-	8,750	8,750
Marketing	-	-	10,000	10,000
Staff Support	33,427	88,305	235,000	146,695
COVID-19 Supplemental Planning	28,520	36,595	45,914	9,319
Miscellaneous	3,469	4,970	9,000	4,030
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Total Expenditures	\$ 282,379	\$ 478,424	\$ 810,030	\$ 331,606
Net Surplus (Deficit)	<u>\$ (117,701)</u>	<u>\$ (100,273)</u>	<u>\$ 77,765</u>	

Note: HOTEDD paid off two building notes in February 2022

HOTCOG Building	\$ 39,036
Workforce Building	<u>88,766</u>
 Total paid off	 \$ 127,802

Heart of Texas Economic Development District, Inc.
Monthly Expense Detail
For January through February 2022

Debt Service		
Extraco Bank (WF Bldg)	\$ 38,454	
Extraco Bank (WF Bldg)	94,455	
Extraco Bank (HOTCOG Bldg)	17,924	
Extraco Bank (HOTCOG Bldg)	39,894	
Total	\$ 190,727	
 Maintenance/Repairs/Renovations		
Jacobs-Cathey (HOTCOG Bldg repair heating unit)	1,821	
Mike Staas (WF Bldg repair commode)	153	
Centex Pest Control (WF Bldg pest control services)	160	
TK Elevator (WF Bldg maint/monitoring/repairs)	1,310	
Jacobs-Cathey (WF Bldg HVAC maint, repairs, replace unit)	8,729	
Hensel Electric (WF Bldg replace lighr ballasts)	462	
McDaniels Yardscapers (WF Bldg lawn maintenance)	432	
Total	13,067	
 Management Fee		
HOTCOG (Management Fee)		9,361
 Committee Travel		
Russell Devorsky (NADO Conference)	2,101	
Matthew Wright (NADO Conference)	1,707	
Total	3,808	
 Staff Support		
HOTCOG (Staff support expense)		33,427
 COVID-19 Supplemental Planning		
Azbell Electronics (equipment upgrade to training & conference rooms)	14,975	
Hensel Electric (hook-up ceiling box in training room)	89	
Aeris Health (air purifiers)	10,780	
Coverfied (point of contact covid testing)	2,676	
Total	28,520	
 Miscellaneous		
Russell Devorsky (HOTEDD Annual Banquet)	699	
Waco Hilton (HOTEDD Annual Banquet)	1,879	
Fairfield Chamber of Commerce (banquet tickets)	50	
Lake Whitney Chamber of Commerce (banquet tickets)	150	
Award Specialties (R Hawkins & M Wright award & plaque/gavel)	245	
Waco-Tribune Herald (economic development plan ad)	446	
Total	3,469	
Total January through February 2022 Expenses		\$ 282,379

Heart of Texas Economic Development District, Inc.

**Notes Payable-Extraco Bank
As of 2/28/22**

	<u>Loan Amount</u>	<u>Rate</u>	<u>Current Payment</u>	<u>Loan Date</u>	<u>Maturity Date</u>	<u>Principal Balance</u>
HOT Workforce Building	2,084,896	3.95%	19,227.39	6/13/2017	11/13/2024	600,060
HOT Workforce Building	310,391	3.95%	-	6/13/2013	11/13/2024	-
HOTCOG Building	1,387,194	4.85%	8,961.76	10/13/2016	10/5/2031	826,918
HOTCOG Building	109,521	4.85%	-	10/16/2016	4/24/2026	-
TOTALS	3,892,002		28,189.15			1,426,978

**Revolving Loans
As of 2/28/22**

<u>Borrower</u>	<u>Loan Amount</u>	<u>Rate</u>	<u>Current Payment</u>	<u>Loan Date</u>	<u>Maturity Date</u>	<u>Principal Balance</u>
Net 1 Connect	90,000	6.00%	999.18	11/4/2015	12/1/2025	52,420

**Small and Micro Enterprise Revolving Fund (SMRF)
As of 2/28/22**

<u>Borrower</u>	<u>Loan Amount</u>	<u>Rate</u>	<u>Current Payment</u>	<u>Loan Date</u>	<u>Maturity Date</u>	<u>Principal Balance</u>
KNV Investments	50,000	6.50%	567.74	6/26/2018	6/26/2028	36,040

	First Name	Last Name	Term Expires (*terms extended by 1 year in at Jan. 2016 meeting to balance timing of Board)	Exec. Comm + Officer Position	Repres-enting: COUNTY/Geographic Location	Bosque	Falls	Freestone	Hill	Limestone	McLennan
1	Jerry	Barker	end of 2022	vice-chair	Hill	3	2	2	5	2	6
2	Kevin	Benedict	end of 2021*		Freestone						
3	David	Davis	end of 2021*		McLennan						
4	Russell	Devorsky	n/a								
5	Charles	Eaton	end of 2021		Hill						
6	Jay	Elliott	n/a	Immidiate past chair	Falls						
7	Scott	Felton	n/a		McLennan						
8	Linda	Grant	n/a		Freestone						
9	Robert	Hawkins	end of 2021*		McLennan						
10	Justin	Lewis	n/a		Hill						
11	Art	Mann	end of 2022		Hill						
12	Damaris	Neelley	end of 2021*		Bosque						
13	Ray	O'Docharty	end of 2022		Limestone						
14	Randy	Riggs	end of 2022		McLennan						
15	Calvin	Rueter	end of 2021*		Bosque						
16	Richard	Duncan	n/a		Limestone						
17	Dick	Van Dyke	end of 2021*		McLennan						
18	Matthew	Wright	end of 2022	Chair	Falls						
19	Alfred	Solano	end of 2022	Secretary/Treasurer	McLennan						
20	Ignacio	Vasquez	End of 2021		Hill						
21	Cindy	Bosque	Bosque	Bosque	Bosque						
22	vacant										
23	vacant										
24	vacant										
25	vacant										

Need education members/TSTC, MCC, Baylor??

This will be the new director terms if the Board passes the current members and all members remain on board.

Need at least one new member for Falls and Limestone County.

Need education members

	First Name	Last Name	Term expires (*terms extended by 1 year in at Jan. 2016 meeting to balance timing of Board	Exec. Comm + Officer Position	Repres-enting: COUNTY/Geographic Location	Bosque	Falls	Freestone
1	Jerry	Barker	end of 2022	chair	Hill	3	2	2
2	Kevin	Benedict	end of 2023*		Freestone			
3	David	Davis	end of 2023*		McLennan			
4	Russell	Devorsky	n/a					
5	Charles	Eaton	end of 2023*		Hill			
6	Jay	Elliott	n/a		Falls			
7	Scott	Felton	n/a		McLennan			
8	Linda	Grant	n/a		Freestone			
9	Robert	Hawkins	end of 2023*		McLennan			
10	Justin	Lewis	n/a		Hill			
11	Art	Mann	end of 2022		Hill			
12	Damaris	Neelley	end of 2023*		Bosque			
13	Ray	O'Docharty	end of 2022		Limestone			
14	Randy	Riggs	end of 2022		McLennan			
15	Calvin	Rueter	end of 2023*		Bosque			
16	Richard	Duncan	n/a		Limestone			
17	Dick	Van Dyke	end of 2023*		McLennan			
18	Matthew	Wright	end of 2022	Immidiate past	Falls			
19	Alfred	Solano	end of 2022	vice-chair	McLennan			
20	Ignacio	Vasquez	End of 2023	Secretary/Treasurer	Hill			
21	Cindy	Bosque	Bosque		Bosque			
22	vacant						Falls	
23	vacant						Limestone	
24	vacant						Education	
25	vacant							

Need education members/TSTC, MCC, Baylor??

Hill	Limestone	McLennan
5	2	6