

**AZLE MUNICIPAL DEVELOPMENT DISTRICT
REGULAR MEETING**

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

**TUESDAY
December 9, 2014**

AGENDA

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

**Director Jack Stevens
Director Justin Berg
Council Member Paul Crabtree
Council Member David McClure**

**REGULAR SESSION
CALL TO ORDER**

7:00 p.m.

PRESENTATION

1. Introduction of new Economic Development Director Caitlin Glenn
Executive Director Craig Lemin
2. Presentation of the MDD's Quarterly Investment Report for Quarter ended September 30, 2014
Executive Director Craig Lemin
3. Presentation of the MDD's Annual Financial Report
Executive Director Craig Lemin

ACTION ITEMS

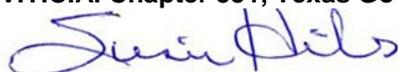
4. Consider approving the Minutes of the October 14, 2014 Azle MDD regular meeting and November 3, 2014 special meeting.
Secretary Joe McCormick

DISCUSSION ITEMS

5. Discussion regarding Azle Municipal Development District plans/procedures/policies
 - a) Discuss, review and direct staff on changing the meeting start time to 6:30 pm
President Ray Ivey

ADJOURNMENT

I, the undersigned authority, do hereby certify the above Agenda was posted at City Hall on December 5, 2014 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.

Municipal Development District Communicator

Item # 2

Submitted By: Craig Lemin – Executive Director **Date:** November 3, 2014

Subject: Presentation of the Quarterly Investment Report for month ended September 30, 2014.

Action Requested: Presentation, no action required.

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

Finance.

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
<input type="checkbox"/>	Letter/ Memo / Report 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 checked="" type="checkbox"/>	Staff	<input type="checkbox"/>	State Law	<input type="checkbox"/>	Bid Tabulations	<input type="checkbox"/>	Maps
<input type="checkbox"/>	Other	<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
September 30, 2014

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.



Investment Officer



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.

Strategy Summary:

The Federal Open Market Committee (FOMC) maintained the Fed Funds target range between 0.00% and 0.25% (actual Fed Funds traded <10 bps). The FOMC continued tapering the Quantitative Easing (QE3) program to \$15 billion per month. Tapering is anticipated to eliminate the program in October. Second quarter 2014 GDP was a strong 4.6% and first quarter was revised up to (2.1%). Employment data remains key as the FOMC focuses on wage growth, under-employment and overall participation. The US stock markets again touched new highs, but have recently retrenched. International economical and political struggles weigh on US interest rates. Financial institution deposit yields generally provide the best interest earnings opportunity, although spreads to security yields have tightened.

Quarter End Results by Investment Category:

<u>Asset Type</u>	<u>Ave. Yield</u>	<u>September 30, 2014</u>		<u>June 30, 2014</u>	
		<u>Book Value</u>	<u>Market Value</u>	<u>Book Value</u>	<u>Market Value</u>
Bank/Pool/MMMFs	0.03%	\$ 316,354	\$ 316,354	\$ 211,653	\$ 211,653
CDs/Securities/Term		\$ -	\$ -	\$ -	\$ -
Totals		\$ 316,354	\$ 316,354	\$ 211,653	\$ 211,653

Quarterly Portfolio Performance

Average Quarterly Yield 0.03%

Rolling Three Mo. Treas. Yield 0.03%

Rolling Six Mo. Treas. Yield 0.05%

Quarterly Interest Earnings \$ 23 (Unaudited)

Fiscal YTD Interest Earnings \$ 40 (Unaudited)

Yearly Portfolio Performance

Average Quarter End Yield 0.03%

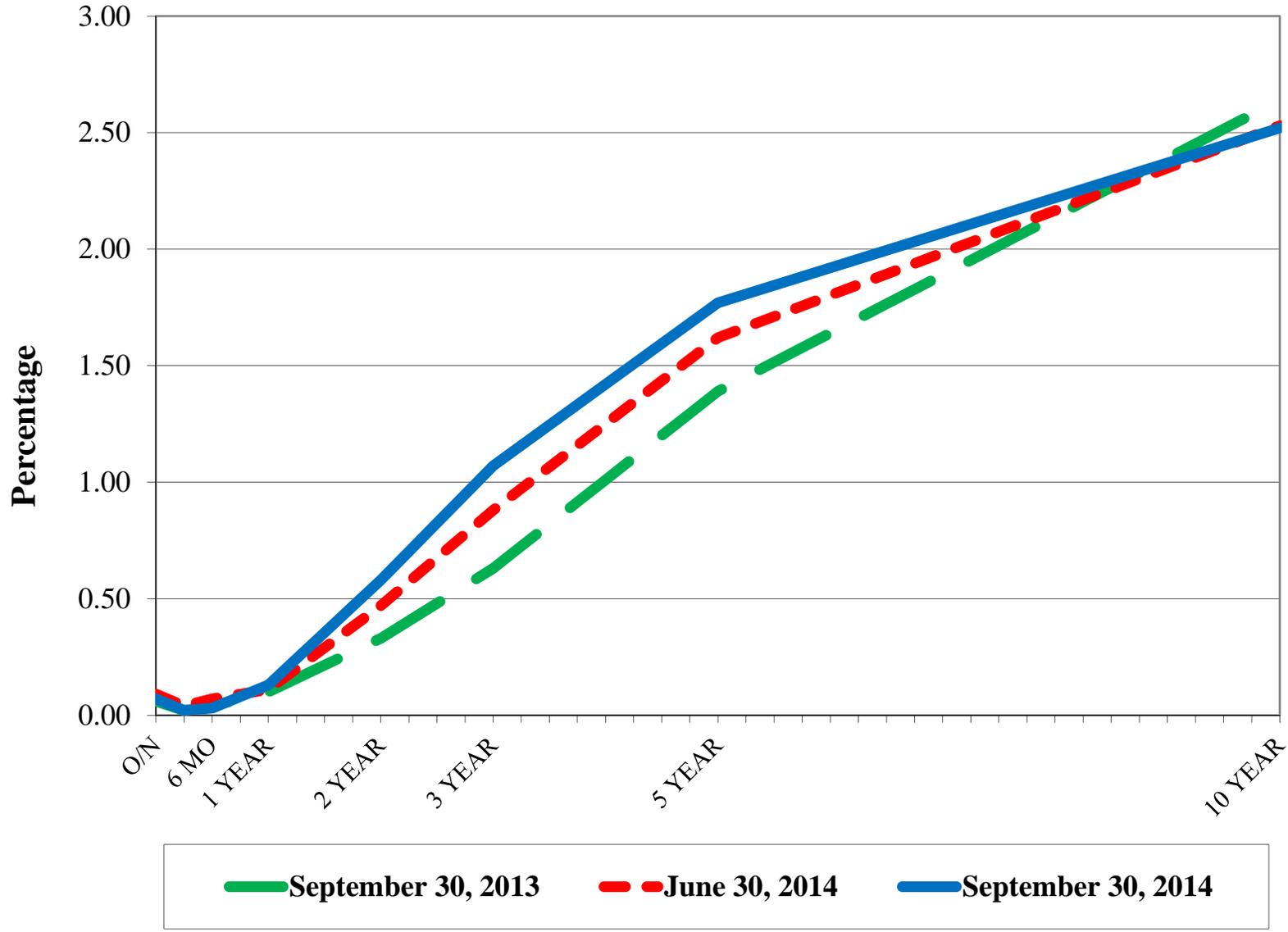
Rolling Three Mo. Treas. Yield 0.04%

Rolling Six Mo. Treas. Yield 0.07%

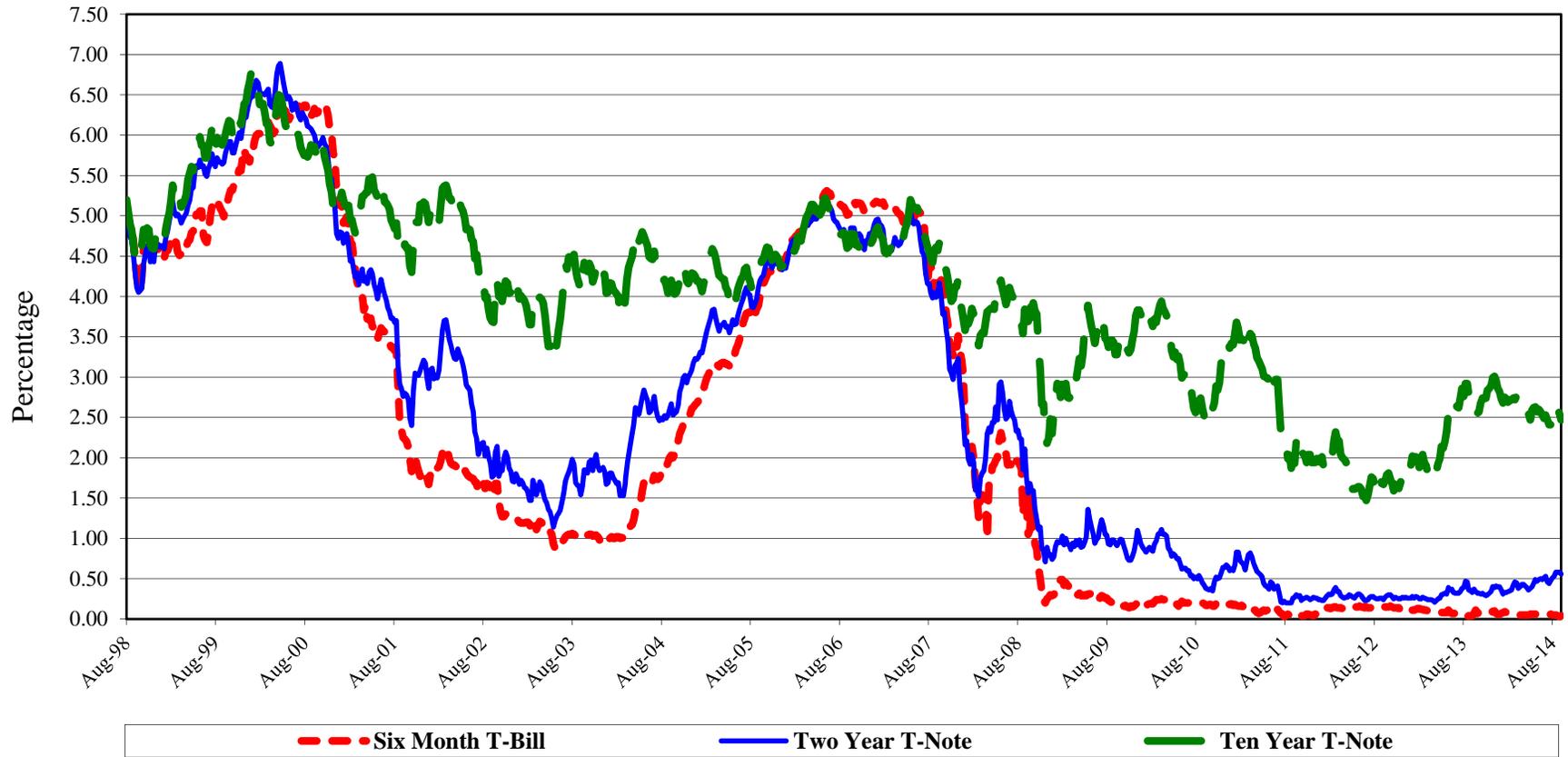
Average Quarterend TexPool Yield 0.03%

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.

Treasury Yield Curves



US Treasury Historical Yields



S&P 500



Detail of Investment Holdings

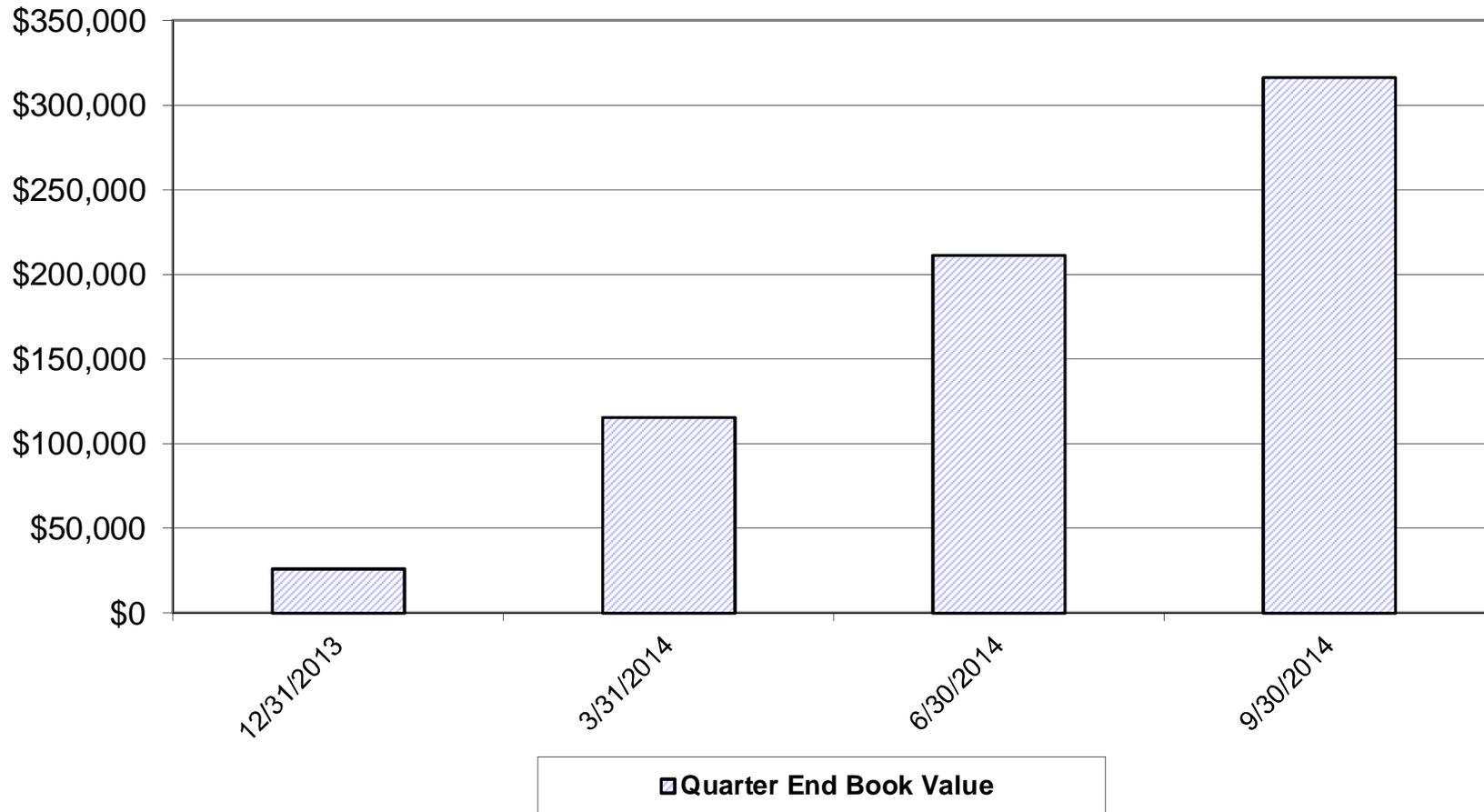
September 30, 2014

Description	Rating	Coupon/ Discount	Maturity Date	Settlement Date	Original Face\ Par Value	Book Value	Market Price	Market Value	Life (Days)	Yield
TexPool	AAAm	0.03%	10/01/14	09/30/14	\$ 316,354	\$ 316,354	1.00	\$ 316,354	1	0.03%
					\$ 316,354	\$ 316,354		\$ 316,354	1	0.03%
									(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.

Total Portfolio



Book Value Comparison

Description	Coupon/ Discount	Maturity Date	<u>June 30, 2014</u>				<u>September 30, 2014</u>			
			Original Face\ Par Value	Book Value	Purchases at Cost	Sales\ Maturities	Original Face\ Par Value	Book Value		
TexPool	0.03%	10/01/14	\$ 211,653	\$ 211,653	\$ 104,702	\$ -	\$ 316,354	\$ 316,354		
TOTAL			\$ 211,653	\$ 211,653	\$ 104,702	\$ -	\$ 316,354	\$ 316,354		

Market Value Comparison

Description	Coupon/ Discount	<u>June 30, 2014</u>				<u>September 30, 2014</u>			
		Original Face\ Par Value	Market Price	Market Value	Qtr to Qtr Change	Original Face\ Par Value	Market Price	Market Value	
TexPool	0.03%	\$ 211,653	1.00	\$ 211,653	\$ 104,702	\$ 316,354	1.00	\$ 316,354	
TOTAL		\$ 211,653		\$ 211,653	\$ 104,702	\$ 316,354		\$ 316,354	

Municipal Development District Communicator

Item # 3

Submitted By: Craig Lemin – Executive Director	Date: November 24, 2014
Subject: Presentation of the Azle Municipal Development District Annual Financial Report	

Action Requested: Presentation, no action required.

Purpose (Outline – Who, What, Where, Why & How). As per the MDD Bylaws, Article V, Section 5 - the Finance Director shall provide the Board.....an annual report within 90 days of the end of each fiscal year. The fiscal year ended September 30, 2014.																								
Checklist of Attachments <table><tr><td><input type="checkbox"/> Contract</td><td><input type="checkbox"/> Agreement</td><td><input type="checkbox"/> Ordinance</td><td><input type="checkbox"/> Resolution</td></tr><tr><td><input type="checkbox"/> Policy</td><td><input type="checkbox"/> Applications</td><td><input type="checkbox"/> Legal Opinion</td><td><input type="checkbox"/> Minute Order</td></tr><tr><td><input type="checkbox"/> Letter/ Memo / Report From</td><td><input type="checkbox"/> P&Z Minutes</td><td><input type="checkbox"/> Board Minutes</td><td><input type="checkbox"/> Other Minutes</td></tr><tr><td><input type="checkbox"/> Applicant</td><td><input type="checkbox"/> Checklist</td><td><input type="checkbox"/> Federal Law</td><td><input type="checkbox"/> Plans / Drawings</td></tr><tr><td><input checked="" type="checkbox"/> Staff</td><td><input type="checkbox"/> State Law</td><td><input type="checkbox"/> Bid Tabulations</td><td><input type="checkbox"/> Maps</td></tr><tr><td><input type="checkbox"/> Other</td><td><input type="checkbox"/> Attachments</td><td><input type="checkbox"/> Notices</td><td><input type="checkbox"/> Charter</td></tr></table>	<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	<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 checked="" type="checkbox"/> Staff	<input type="checkbox"/> State Law	<input type="checkbox"/> Bid Tabulations	<input type="checkbox"/> Maps	<input type="checkbox"/> Other	<input type="checkbox"/> Attachments	<input type="checkbox"/> Notices	<input type="checkbox"/> Charter
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TO: Azle Municipal Development District Board

FROM: Renita Bishop
Finance Director

DATE: December 9, 2014

SUBJECT: Azle Municipal Development District Annual Financial Report

In accordance with the Azle Municipal Development District Bylaws, the annual financial report for the year ended September 30, 2014 is attached for your review. **Please note that this is an unaudited report listing actual revenues and expenditures for the district.**

Once the City's annual audit is complete, the audited financial statement for the district will be available to you. Please contact me if you have any questions.

CITY OF AZLE**REVENUE EXPENDITURE ANALYSIS**

AZLE MUNICIPAL DEVELOPMENT DISTRICT

for the Fiscal Year Ended September 30, 2014

	<u>Budgeted</u>	<u>Actual</u>	<u>Actual Over (Under) Budget</u>
<u>Revenues and Other Sources:</u>			
Sales Tax	-	387,526.69	387,526.69
Interest	-	40.36	40.36
Total Revenue and Other Sources	-	387,567.05	387,567.05
<u>Expenditures:</u>			
<u>Personnel Services</u>			
Salaries	-	-	-
Retirement - TMRS	-	-	-
Health & Dental Insurance	-	-	-
Disability Insurance	-	-	-
Medicare	-	-	-
Unemployment Tax	-	-	-
Workers' Compensation	-	-	-
Auto Allowance	-	-	-
Total Personnel Services	-	-	-
<u>Supplies</u>			
Office Supplies	-	-	-
Non-Office Supplies	-	-	-
Printing	-	-	-
Postage & Postage Supplies	-	-	-
Total Supplies	-	-	-
<u>Contractual Services</u>			
Legal Notices & Advertising	-	-	-
Professional Services	-	-	-
Telephone	-	-	-
Travel & Training	3,000.00	450.00	(2,550.00)
Dues and Subscriptions	-	-	-
Total Contractual Services	3,000.00	450.00	(2,550.00)
Total MDD Expenditures	3,000.00	450.00	(2,550.00)
Revenue Over (Under) Expenditures	(3,000.00)	387,117.05	390,117.05

Municipal Development District Communication

Item # 4

Submitted By: Susie Hiles, Assistant to the City Manager **Date:** November 28, 2014

Subject: Azle MDD Board Minutes.

Action Requested: Consider approving the Minutes of the October 14, 2014 Azle MDD regular meeting and November 3, 2014 special meeting.

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

Procedural.

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
<input type="checkbox"/> Letter/ Memo From	<input type="checkbox"/> P&Z Minutes	<input checked="" type="checkbox"/> Board Minutes	<input type="checkbox"/> Other Minutes
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<input type="checkbox"/> Other	<input type="checkbox"/> Attachments	<input type="checkbox"/> Notices	<input type="checkbox"/> Charter

**MINUTES
REGULAR MEETING
AZLE MUNICIPAL DEVELOPMENT DISTRICT
OCTOBER 14, 2014**

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 7:00 p.m. in the Council Chambers of City Hall, 613 Southeast Parkway, Azle, Texas, on the 14th day of October 2014 with the following members present:

Ray Ivey	President – Place 4
Kevin Ingle	Vice President – Place 6
Joe McCormick	Secretary - Place 3
Councilman David McClure	Director - Place 2
Jack Stevens	Director - Place 5
Justin Berg	Director – Place 7
Craig Lemin	Executive Director/City Manger

Constituting a quorum. Councilman Paul Crabtree was excused from tonight’s meeting. Staff present was:

Lawrence Bryant	Assistant City Manager
Susie Hiles	Assistant to City Manager- Scribe

The following items were considered in accordance with the official agenda posted on the 10th day of October 2014.

REGULAR SESSION: 7:00 p.m.
CALL TO ORDER

President Ivey called the session to order at 7:02 p.m.

ACTION ITEMS

1. Consider approving the Minutes of the September 9, 2014 MDD Regular meeting.

Director Stevens moved to approve the September 9, 2014 MDD Minutes as presented and discussed. Vice President Ingle seconded the motion. The motion was unanimously approved.

2. Consider adopting Resolution M2014-01 confirming that the Azle MDD Board has reviewed and approved the investment policy.

President Ivey introduced the Agenda Item. Executive Director Lemin stated the Public Funds Investment Act requires the governing body of an investing entity to adopt by rule, order, ordinance, or resolution, a written investment policy regarding the investment of its funds and funds under its control. This has to be done annually and this is the same policy the Board adopted in October 2013 and the same one adopted by the City and the Crime Control and Prevention District.

Vice President Ingle moved to approve Resolution M2014-01 adopting the Azle MDD’s investment policy. Director Stevens seconded the motion. The motion was unanimously approved.

DISCUSSION ITEMS

3. Discussion regarding economic development director position

President Ivey introduced the Agenda Item. Executive Director Lemin advised that about 18 applications had been submitted and Staff would initially interview about six or seven. He advised Staff would begin conducting interviews next week and narrow it down to two finalists. Those finalists will then be interviewed by the Board, along with city staff.

**MINUTES
REGULAR MEETING
AZLE MUNICIPAL DEVELOPMENT DISTRICT
OCTOBER 14, 2014**

DRAFT

4. Discussion regarding the Strategic Plan for the Azle MDD.

President Ivey introduced the Agenda Item stating this was a continuation of the discussion from the past few meetings where the Directors discussed creating a “road map” for the incoming economic development director to help with developing the Strategic Plan.

The Board established two goals to lay the groundwork for establishing the “road map”:

- 1) Grow employment opportunities through the expansion and development of a sound industrial, manufacturing, professional service, and retail base.

Two objectives under this goal were:

- a. Work with Azle City Council to fund a full-time economic development director; and
- b. Identify types of businesses the Board would like to see that meet the goals.

- 2) Improve the tax base and business growth through targeted incentives and infrastructure improvement.

5. Discussion regarding Azle Municipal Development District plans/procedures/policies.

No items discussed.

ADJOURNMENT

President Ivey adjourned the meeting at 8:10 p.m.

PRESENTED AND APPROVED this the 9th day of December, 2014.

APPROVED:

Ray Ivey, President

ATTEST:

Joe McCormick, Secretary

**MINUTES
SPECIAL MEETING
AZLE MUNICIPAL DEVELOPMENT DISTRICT
NOVEMBER 3, 2014**

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 3rd day of November 2014 with the following members present:

Ray Ivey	President – Place 4
Kevin Ingle	Vice President – Place 6
Joe McCormick	Secretary - Place 3
Councilman Paul Crabtree	Director – Place 1
Councilman David McClure	Director - Place 2
Jack Stevens	Director - Place 5
Justin Berg	Director – Place 7
Craig Lemin	Executive Director/City Manger

Constituting a quorum. Staff present was:

Lawrence Bryant	Assistant City Manager
Susie Hiles	Assistant to City Manager- Scribe

The following items were considered in accordance with the official agenda posted on the 31st day of October 2014.

REGULAR SESSION: 6:30 p.m.
CALL TO ORDER

President Ivey called the session to order at 6:30 p.m.

DISCUSSION ITEMS

1. Meet and interact with candidates for the Economic Development Director position

President Ivey introduced the Agenda Item. Executive Director Lemin advised that Staff had narrowed the applicants down to two finalists - Steven Quirk and Caitlin Glenn and they were present tonight so the Board could meet them and ask questions. Mr. Lemin presented the Board with the applicant's resumes, a list of sample interview questions (it they chose to use them) and a scoring sheet.

The Board reviewed the resumes and interviewed each applicant separately. The Board completed the scoring sheets and submitted to Executive Director Lemin. Executive Director Lemin advised he would review the opinions of the Board and incorporate them into his decision making process for choosing a final applicant. The Board will be notified when an economic development director is hired.

The Board decided to cancel the November 11 regular meeting as there were no urgent matters to address.

ADJOURNMENT

President Ivey adjourned the meeting at 8:43 p.m.

PRESENTED AND APPROVED this the 9th day of December, 2014.

APPROVED:

Ray Ivey, President

ATTEST:

Joe McCormick, Secretary