



**CITY OF WINDCREST ECONOMIC DEVELOPMENT CORPORATION  
BOARD OF DIRECTORS**

**Regular Meeting**

**January 11, 2023**

**5:30 P.M.**

**Windcrest City Hall**

NOTICE IS HEREBY GIVEN THAT A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE WINDCREST ECONOMIC DEVELOPMENT CORPORATION (WEDC) WILL BE HELD AT WINDCREST CITY HALL, 8601 MIDCROWN, WINDCREST, TEXAS ON THE 11TH DAY OF JANUARY, 2023 STARTING AT 5:30 P.M. DURING THE MEETING, THE BOARD WILL CONSIDER, DELIBERATE AND MAY TAKE ACTION UPON ANY OF THE SUBJECTS LISTED BELOW.

**"It is the intent of the Board to have a quorum physically present at the above address. Board members not physically present may participate by live two-way video and audio feed in accordance with the Texas Open Meetings Act."**

**Vision Statement:** Nourish and develop a vibrant community that consistently pushes the limits.

**Mission Statement:** Facilitate interaction between business, city and other community organizations to nourish the economic health and well-being of Windcrest, its citizens and the region.

*Request all pagers and cell phones be turned off, except emergency on-call personnel. Citizens are asked to refrain from talking during proceedings unless recognized by the Presiding Officer.*

CITIZEN COMMUNICATION: AS A COURTESY TO CITIZENS IN ATTENDANCE, AND AT THE DISCRETION OF THE PRESIDING OFFICER OF THE MEETING, CITIZENS WILL BE GIVEN A REASONABLE OPPORTUNITY TO STATE THEIR COMMENTS OR ASK QUESTIONS REGARDING ANY ITEM ON THE AGENDA, AND PRIOR TO THE BOARD TAKING ACTION ON ANY ACTION ITEMS LISTED. THE BOARD REQUESTS COMMENTS BE BRIEF, TO THE POINT, AND NO LONGER THAN 6 MINUTES. TIME CANNOT BE YIELDED TO ANOTHER SPEAKER. PLEASE NOTE THAT THE BOARD MAY NOT BE PERMITTED TO RESPOND TO QUESTIONS OR COMMENTS.

Items will not necessarily be discussed or considered in the order they are printed on the agenda below. If, during the course of the meeting, discussion of any item on the agenda should be held in an executive or closed session, the Board will convene in such executive or closed session as permitted by and in accordance with Texas Government Code Chapters 551 and 551.

**Consistent with Windcrest City Council Resolution No. 292, the WEDC Board elects to audio and video record its meetings. The recordings are preserved electronically as the official minutes of its meetings.**

**I. Call To Order**

1. Determination of a Quorum
2. Pledge of Allegiance
3. Prayer
4. Vote to consider the excuse of an absent board member(s), if applicable

**II. Visitors/Presentations**

1. Executive Directors Report regarding Economic Development Activities.
2. Current Financials (Balance, Revenue & Expense) ending November 2022.
3. Comments by Mario on Year ending Financials (September 2022), depreciation expense, reserves/CDs, and PR expense line item.

**III. Citizens to be Heard**

1. Members of the public may sign up to provide public comments to the Board in accordance with Board and City ordinances and policies.

**NOTE:** Citizens may address the WEDC on topics not on the agenda for no more than three (3) minutes. An email statement may be sent to the WEDC Coordinator at [knelson@windcrest-tx.gov](mailto:knelson@windcrest-tx.gov) to be read into the meeting to the WEDC Board.

**IV. Discuss and Act**

1. WSS Final Agreements.

**V. Executive Session**

1. Govt. Code 551.072, 551.071, 551.087 Consultation with Legal Counsel regarding real estate transactions, discussion regarding purchase, lease or exchange of real property within City of Windcrest, and economic development/redevelopment of property.
2. Active and Confidential Economic Development Projects.
3. Funding an estimate for the demolition of property.

**VI. Resume Open Session:** Consider and take possible action on matters discussed in executive session, potential purchase of real property and economic incentives request.

**VII. General Announcements and Future Agenda Items Requested**

**VIII. Adjournment**

I, the undersigned authority, do hereby certify that the above Notice of Meeting of the Board of Directors of the WEDC is a true and correct copy of said Notice and I posted a true and correct copy of said Notice on the bulletin board at the Windcrest City Hall in a convenient place to the public. Said Notice was posted 72 hours prior to the 11th day of January, 2023.

By: **\*DATE & SIGNATURE PENDING\***  
Rachel Dominguez, City Secretary

**Windcrest Economic Development Corporation**  
**Statement of Financial Position**  
As of November 30, 2022

|                                    | <u>Total</u>           |
|------------------------------------|------------------------|
| <b>ASSETS</b>                      |                        |
| Current Assets                     |                        |
| Bank Accounts                      |                        |
| 1000 Frost - Checking 0485         | \$ 1,716,396.67        |
| Total Bank Accounts                | <u>1,716,396.67</u>    |
| Accounts Receivable                |                        |
| 1100 A/R Sales Tax                 |                        |
| 1101 Accrued Revenue               | 188,797.00             |
| Total 1100 A/R Sales Tax           | <u>188,797.00</u>      |
| Total Accounts Receivable          | <u>188,797.00</u>      |
| Other Current Assets               |                        |
| 1300 Prepaid Expense               | 3,494.85               |
| 1302 Prepaid Sales Tax             | 0.26                   |
| Total 1300 Prepaid Expense         | <u>3,495.11</u>        |
| 1310 Deferred Outflow Pension      | 2,500.00               |
| 1311 Deferred Outflow OPEB         | 674.00                 |
| Total Other Current Assets         | <u>6,669.11</u>        |
| Total Current Assets               | <u>1,911,862.78</u>    |
| Fixed Assets                       |                        |
| 1400 Computers & Monitors          | 2,280.34               |
| 1402 Furniture & Fixtures          | 11,993.99              |
| 1403 Building & Improvements       | 3,350.00               |
| 1500 Accumulated Depreciation      | (6,066.91)             |
| Total Fixed Assets                 | <u>11,557.42</u>       |
| Other Assets                       |                        |
| 1600 EDC - Investment First Public | 116,474.85             |
| Total Other Assets                 | <u>116,474.85</u>      |
| <b>TOTAL ASSETS</b>                | <b>\$ 2,039,895.05</b> |
| <b>LIABILITIES AND EQUITY</b>      |                        |
| Liabilities                        |                        |
| Current Liabilities                |                        |
| Credit Cards                       |                        |
| 2100 Commerce Bank 2199            | \$ 351.78              |
| Total Credit Cards                 | <u>351.78</u>          |
| Other Current Liabilities          |                        |
| 2002 Wages Payable                 | 8,058.62               |
| 2003 Accrued Expenditures          | 3,381.44               |
| 2004 Deferred Inflow Pension       | 5,769.00               |
| 2005 Deferred Inflow OPEB          | 189.00                 |
| 2007 Compensated Absences          | 1,775.00               |
| Total Other Current Liabilities    | <u>19,173.06</u>       |
| Total Current Liabilities          | <u>19,524.84</u>       |
| Long-Term Liabilities              |                        |
| 2201 OPEB Liability                | 2,970.00               |
| 2202 Net Pension Liability         | (1,465.00)             |
| Total Long-Term Liabilities        | <u>1,505.00</u>        |
| Total Liabilities                  | <u>21,029.84</u>       |

# Windcrest Economic Development Corporation

## Statement of Financial Position

As of November 30, 2022

|                              | <u>Total</u>           |
|------------------------------|------------------------|
| Equity                       |                        |
| 3000 Net Assets              | 2,083,287.12           |
| Net Revenue                  | (64,421.91)            |
| Total Equity                 | <u>2,018,865.21</u>    |
| TOTAL LIABILITIES AND EQUITY | <u>\$ 2,039,895.05</u> |

**Windcrest Economic Development Corporation**  
**Statement of Activity**  
October - November, 2022

|                                                | <u>Total</u>     |
|------------------------------------------------|------------------|
| Revenue                                        |                  |
| Total Revenue                                  |                  |
| Gross Profit                                   |                  |
| Expenditures                                   |                  |
| 6000 Salaries, Benefits & Contract Labor       |                  |
| 6001 Salaries                                  | \$ 8,904.00      |
| 6004 Social Security / Medicare Match          | 689.10           |
| 6005 Health Insurance-EDC                      | 1,812.75         |
| 6006 Retirement--EDC                           | 648.55           |
| 6009 Contract Labor                            | 18,372.60        |
| 6021 Health Insurance - Life & Vision          | 80.70            |
| 6053 Cell Phone Allowance                      | 103.85           |
| Total 6000 Salaries, Benefits & Contract Labor | <u>30,611.55</u> |
| 6010 BRE & Prospect Development Expenses       |                  |
| 6014 Meals & Entertainment                     | 431.54           |
| 6015 EDC Projects                              | 441.23           |
| 6016 Promoting Windcrest(BRE Events)           | 3,750.00         |
| 6017 Sponsorships, Regional Marketing          | 2,333.34         |
| Total 6010 BRE & Prospect Development Expenses | <u>6,956.11</u>  |
| 6025 Administrative & Other Expenses           |                  |
| 6026 Rent                                      | 2,290.00         |
| 6027 Furniture & Fixtures                      | 119.06           |
| 6028 Equipment, Computers & Other              | 35.18            |
| 6029 Internet Services                         | 331.69           |
| 6030 Computer Maintenance, Software, Website   | 119.06           |
| 6031 Accounting Services                       | 2,687.95         |
| 6032 Barcom / IT                               | 1,014.69         |
| 6033 Phone Services                            | 171.74           |
| 6037 Dues & Subscriptions                      | 160.00           |
| 6038 Supplies                                  | 1,525.11         |
| 6042 Legal Expenses                            | 14,838.68        |
| 6043 Audit                                     | 7,175.00         |
| 6045 Vehicle Expenses-EDC                      | 456.41           |
| 6047 Contingencies                             | 413.18           |
| Total 6025 Administrative & Other Expenses     | <u>31,337.75</u> |
| Total Expenditures                             | <u>68,905.41</u> |
| Net Operating Revenue                          | (68,905.41)      |
| Other Revenue                                  |                  |
| 4003 Revenue Income - Interest                 | 4,483.50         |
| Total Other Revenue                            | <u>4,483.50</u>  |
| Net Other Revenue                              | <u>4,483.50</u>  |
| Net Revenue                                    | \$ (64,421.91)   |

Windcrest Economic Development Corporation  
Budget vs. Actuals: 2023 WEDC Budget (Copy) (Copy) - FY23 P&L  
October - November, 2022

|                                                   | Oct 2022     |              |               |             | Nov 2022     |              |               |             | Total        |               |                |             |
|---------------------------------------------------|--------------|--------------|---------------|-------------|--------------|--------------|---------------|-------------|--------------|---------------|----------------|-------------|
|                                                   | Actual       | Budget       | over Budget   | % of Budget | Actual       | Budget       | over Budget   | % of Budget | Actual       | Budget        | over Budget    | % of Budget |
| Revenue                                           |              |              |               |             |              |              |               |             |              |               |                |             |
| 4000 Revenue                                      |              |              | 0.00          |             |              |              | 0.00          |             | 0.00         | 0.00          | 0.00           |             |
| 4001 Income - Sales Tax                           |              | 58,333.33    | -58,333.33    | 0.00%       |              | 58,333.33    | -58,333.33    | 0.00%       | 0.00         | 116,666.66    | -116,666.66    | 0.00%       |
| 4002 Proceeds from Reserves                       |              | 9,500.00     | -9,500.00     | 0.00%       |              | 9,500.00     | -9,500.00     | 0.00%       | 0.00         | 19,000.00     | -19,000.00     | 0.00%       |
| Total 4000 Revenue                                | \$ 0.00      | \$ 67,833.33 | -\$ 67,833.33 | 0.00%       | \$ 0.00      | \$ 67,833.33 | -\$ 67,833.33 | 0.00%       | \$ 0.00      | \$ 135,666.66 | -\$ 135,666.66 | 0.00%       |
| Total Revenue                                     | \$ 0.00      | \$ 67,833.33 | -\$ 67,833.33 | 0.00%       | \$ 0.00      | \$ 67,833.33 | -\$ 67,833.33 | 0.00%       | \$ 0.00      | \$ 135,666.66 | -\$ 135,666.66 | 0.00%       |
| Gross Profit                                      | \$ 0.00      | \$ 67,833.33 | -\$ 67,833.33 | 0.00%       | \$ 0.00      | \$ 67,833.33 | -\$ 67,833.33 | 0.00%       | \$ 0.00      | \$ 135,666.66 | -\$ 135,666.66 | 0.00%       |
| Expenditures                                      |              |              |               |             |              |              |               |             |              |               |                |             |
| 6000 Salaries, Benefits & Contract Labor          |              |              | 0.00          |             |              |              | 0.00          |             | 0.00         | 0.00          | 0.00           |             |
| 6001 Salaries                                     | 3,561.60     | 4,250.00     | -688.40       | 83.80%      | 5,342.40     | 4,250.00     | 1,092.40      | 125.70%     | 8,904.00     | 8,500.00      | 404.00         | 104.75%     |
| 6002 Admin Expenses                               |              | 83.33        | -83.33        | 0.00%       |              | 83.33        | -83.33        | 0.00%       | 0.00         | 166.66        | -166.66        | 0.00%       |
| 6003 EDC Overtime                                 |              | 83.33        | -83.33        | 0.00%       |              | 83.33        | -83.33        | 0.00%       | 0.00         | 166.66        | -166.66        | 0.00%       |
| 6004 Social Security / Medicare Match             | 275.64       | 333.33       | -57.69        | 82.69%      | 413.46       | 333.33       | 80.13         | 124.04%     | 689.10       | 666.66        | 22.44          | 103.37%     |
| 6005 Health Insurance-EDC                         | 725.10       | 833.33       | -108.23       | 87.01%      | 1,087.65     | 833.33       | 254.32        | 130.52%     | 1,812.75     | 1,666.66      | 146.09         | 108.77%     |
| 6006 Retirement--EDC                              | 259.42       | 366.67       | -107.25       | 70.75%      | 389.13       | 366.67       | 22.46         | 106.13%     | 648.55       | 733.34        | -84.79         | 88.44%      |
| 6007 Workers Comp-EDC                             |              | 91.67        | -91.67        | 0.00%       |              | 91.67        | -91.67        | 0.00%       | 0.00         | 183.34        | -183.34        | 0.00%       |
| 6008 Unemployment Comp                            |              | 41.67        | -41.67        | 0.00%       |              | 41.67        | -41.67        | 0.00%       | 0.00         | 83.34         | -83.34         | 0.00%       |
| 6009 Contract Labor                               | 8,933.40     | 10,150.00    | -1,216.60     | 88.01%      | 9,439.20     | 10,150.00    | -710.80       | 93.00%      | 18,372.60    | 20,300.00     | -1,927.40      | 90.51%      |
| 6021 Health Insurance - Life & Vision             | 32.28        | 41.66        | -9.38         | 77.48%      | 48.42        | 41.66        | 6.76          | 116.23%     | 80.70        | 83.32         | -2.62          | 96.86%      |
| 6053 Cell Phone Allowance                         | 41.54        | 41.66        | -0.12         | 99.71%      | 62.31        | 41.66        | 20.65         | 149.57%     | 103.85       | 83.32         | 20.53          | 124.64%     |
| Total 6000 Salaries, Benefits & Contract Labor    | \$ 13,828.98 | \$ 16,316.65 | -\$ 2,487.67  | 84.75%      | \$ 16,782.57 | \$ 16,316.65 | \$ 465.92     | 102.86%     | \$ 30,611.55 | \$ 32,633.30  | -\$ 2,021.75   | 93.80%      |
| 6010 BRE & Prospect Development Expenses          |              |              | 0.00          |             |              |              | 0.00          |             | 0.00         | 0.00          | 0.00           |             |
| 6011 Consulting/Planning/Infrastructure           |              | 4,833.33     | -4,833.33     | 0.00%       |              | 4,833.33     | -4,833.33     | 0.00%       | 0.00         | 9,666.66      | -9,666.66      | 0.00%       |
| 6012 Collateral Material                          |              | 583.33       | -583.33       | 0.00%       |              | 583.33       | -583.33       | 0.00%       | 0.00         | 1,166.66      | -1,166.66      | 0.00%       |
| 6013 Travel                                       |              | 833.33       | -833.33       | 0.00%       |              | 833.33       | -833.33       | 0.00%       | 0.00         | 1,666.66      | -1,666.66      | 0.00%       |
| 6014 Meals & Entertainment                        | 377.35       | 416.67       | -39.32        | 90.56%      | 54.19        | 416.67       | -362.48       | 13.01%      | 431.54       | 833.34        | -401.80        | 51.78%      |
| 6015 EDC Projects                                 | 441.23       | 16,325.00    | -15,883.77    | 2.70%       |              | 16,325.00    | -16,325.00    | 0.00%       | 441.23       | 32,650.00     | -32,208.77     | 1.35%       |
| 6016 Promoting Windcrest(BRE Events)              | 2,300.00     | 4,583.33     | -2,283.33     | 50.18%      | 1,450.00     | 4,583.33     | -3,133.33     | 31.64%      | 3,750.00     | 9,166.66      | -5,416.66      | 40.91%      |
| 6017 Sponsorships, Regional Marketing             | 1,916.67     | 833.33       | 1,083.34      | 230.00%     | 416.67       | 833.33       | -416.66       | 50.00%      | 2,333.34     | 1,666.66      | 666.68         | 140.00%     |
| 6018 Commercial Revitalization/Store Front Grants |              | 2,500.00     | -2,500.00     | 0.00%       |              | 2,500.00     | -2,500.00     | 0.00%       | 0.00         | 5,000.00      | -5,000.00      | 0.00%       |
| 6019 Infrastructure/Streets                       |              | 9,500.00     | -9,500.00     | 0.00%       |              | 9,500.00     | -9,500.00     | 0.00%       | 0.00         | 19,000.00     | -19,000.00     | 0.00%       |
| Total 6010 BRE & Prospect Development Expenses    | \$ 5,035.25  | \$ 40,408.32 | -\$ 35,373.07 | 12.46%      | \$ 1,920.86  | \$ 40,408.32 | -\$ 38,487.46 | 4.75%       | \$ 6,956.11  | \$ 80,816.64  | -\$ 73,860.53  | 8.61%       |
| 6025 Administrative & Other Expenses              |              |              | 0.00          |             |              |              | 0.00          |             | 0.00         | 0.00          | 0.00           |             |
| 6026 Rent                                         | 1,145.00     | 1,250.00     | -105.00       | 91.60%      | 1,145.00     | 1,250.00     | -105.00       | 91.60%      | 2,290.00     | 2,500.00      | -210.00        | 91.60%      |
| 6027 Furniture & Fixtures                         | 119.06       | 166.66       | -47.60        | 71.44%      |              | 166.66       | -166.66       | 0.00%       | 119.06       | 333.32        | -214.26        | 35.72%      |
| 6028 Equipment, Computers & Other                 | 35.18        | 250.00       | -214.82       | 14.07%      |              | 250.00       | -250.00       | 0.00%       | 35.18        | 500.00        | -464.82        | 7.04%       |
| 6029 Internet Services                            | 160.82       | 166.66       | -5.84         | 96.50%      | 170.87       | 166.66       | 4.21          | 102.53%     | 331.69       | 333.32        | -1.63          | 99.51%      |
| 6030 Computer Maintenance, Software, Website      | 59.53        | 500.00       | -440.47       | 11.91%      | 59.53        | 500.00       | -440.47       | 11.91%      | 119.06       | 1,000.00      | -880.94        | 11.91%      |
| 6031 Accounting Services                          | 1,342.64     | 1,333.33     | 9.31          | 100.70%     | 1,345.31     | 1,333.33     | 11.98         | 100.90%     | 2,687.95     | 2,666.66      | 21.29          | 100.80%     |
| 6032 Barcom / IT                                  | 393.77       | 391.67       | 2.10          | 100.54%     | 620.92       | 391.67       | 229.25        | 158.53%     | 1,014.69     | 783.34        | 231.35         | 129.53%     |
| 6033 Phone Services                               | 85.87        | 83.33        | 2.54          | 103.05%     | 85.87        | 83.33        | 2.54          | 103.05%     | 171.74       | 166.66        | 5.08           | 103.05%     |

Windcrest Economic Development Corporation  
Budget vs. Actuals: 2023 WEDC Budget (Copy) (Copy) - FY23 P&L  
October - November, 2022

|                                            | Oct 2022      |              |               |             | Nov 2022      |              |               |             | Total         |               |               |             |
|--------------------------------------------|---------------|--------------|---------------|-------------|---------------|--------------|---------------|-------------|---------------|---------------|---------------|-------------|
|                                            | Actual        | Budget       | over Budget   | % of Budget | Actual        | Budget       | over Budget   | % of Budget | Actual        | Budget        | over Budget   | % of Budget |
| 6035 Public Relations                      |               | 500.00       | -500.00       | 0.00%       |               | 500.00       | -500.00       | 0.00%       | 0.00          | 1,000.00      | -1,000.00     | 0.00%       |
| 6036 Training Staff/Board                  |               | 333.33       | -333.33       | 0.00%       |               | 333.33       | -333.33       | 0.00%       | 0.00          | 666.66        | -666.66       | 0.00%       |
| 6037 Dues & Subscriptions                  |               | 33.33        | -33.33        | 0.00%       | 160.00        | 33.33        | 126.67        | 480.05%     | 160.00        | 66.66         | 93.34         | 240.02%     |
| 6038 Supplies                              | 1,171.02      | 333.33       | 837.69        | 351.31%     | 354.09        | 333.33       | 20.76         | 106.23%     | 1,525.11      | 666.66        | 858.45        | 228.77%     |
| 6039 Postage                               |               | 41.67        | -41.67        | 0.00%       |               | 41.67        | -41.67        | 0.00%       | 0.00          | 83.34         | -83.34        | 0.00%       |
| 6040 Copier                                |               | 83.33        | -83.33        | 0.00%       |               | 83.33        | -83.33        | 0.00%       | 0.00          | 166.66        | -166.66       | 0.00%       |
| 6041 Repairs & Maintenance                 |               | 83.33        | -83.33        | 0.00%       |               | 83.33        | -83.33        | 0.00%       | 0.00          | 166.66        | -166.66       | 0.00%       |
| 6042 Legal Expenses                        |               | 3,333.33     | -3,333.33     | 0.00%       | 14,838.68     | 3,333.33     | 11,505.35     | 445.16%     | 14,838.68     | 6,666.66      | 8,172.02      | 222.58%     |
| 6043 Audit                                 | 7,175.00      | 1,583.33     | 5,591.67      | 453.16%     |               | 1,583.33     | -1,583.33     | 0.00%       | 7,175.00      | 3,166.66      | 4,008.34      | 226.58%     |
| 6044 Sales Tax Services                    |               | 83.33        | -83.33        | 0.00%       |               | 83.33        | -83.33        | 0.00%       | 0.00          | 166.66        | -166.66       | 0.00%       |
| 6045 Vehicle Expenses-EDC                  | 315.50        | 166.66       | 148.84        | 189.31%     | 140.91        | 166.66       | -25.75        | 84.55%      | 456.41        | 333.32        | 123.09        | 136.93%     |
| 6046 Vehicle Fuel-EDC                      |               | 83.33        | -83.33        | 0.00%       |               | 83.33        | -83.33        | 0.00%       | 0.00          | 166.66        | -166.66       | 0.00%       |
| 6047 Contingencies                         | 251.59        | 200.00       | 51.59         | 125.80%     | 161.59        | 200.00       | -38.41        | 80.80%      | 413.18        | 400.00        | 13.18         | 103.30%     |
| 6049 General Liability Insurance           |               | 41.67        | -41.67        | 0.00%       |               | 41.67        | -41.67        | 0.00%       | 0.00          | 83.34         | -83.34        | 0.00%       |
| 6050 E&O Liability Insurance               |               | 75.00        | -75.00        | 0.00%       |               | 75.00        | -75.00        | 0.00%       | 0.00          | 150.00        | -150.00       | 0.00%       |
| 6051 Auto Liability Insurance              |               | 75.00        | -75.00        | 0.00%       |               | 75.00        | -75.00        | 0.00%       | 0.00          | 150.00        | -150.00       | 0.00%       |
| 6052 Auto Physical Damage Insurance        |               | 33.33        | -33.33        | 0.00%       |               | 33.33        | -33.33        | 0.00%       | 0.00          | 66.66         | -66.66        | 0.00%       |
| Total 6025 Administrative & Other Expenses | \$ 12,254.98  | \$ 11,224.95 | \$ 1,030.03   | 109.18%     | \$ 19,082.77  | \$ 11,224.95 | \$ 7,857.82   | 170.00%     | \$ 31,337.75  | \$ 22,449.90  | \$ 8,887.85   | 139.59%     |
| Total Expenditures                         | \$ 31,119.21  | \$ 67,949.92 | -\$ 36,830.71 | 45.80%      | \$ 37,786.20  | \$ 67,949.92 | -\$ 30,163.72 | 55.61%      | \$ 68,905.41  | \$ 135,899.84 | -\$ 66,994.43 | 50.70%      |
| Net Operating Revenue                      | -\$ 31,119.21 | -\$ 116.59   | -\$ 31,002.62 | 26691.15%   | -\$ 37,786.20 | -\$ 116.59   | -\$ 37,669.61 | 32409.47%   | -\$ 68,905.41 | -\$ 233.18    | -\$ 68,672.23 | 29550.31%   |
| Other Revenue                              |               |              |               |             |               |              |               |             |               |               |               |             |
| 4003 Revenue Income - Interest             | 332.75        | 83.33        | 249.42        | 399.32%     | 4,150.75      | 83.33        | 4,067.42      | 4981.10%    | 4,483.50      | 166.66        | 4,316.84      | 2690.21%    |
| Total Other Revenue                        | \$ 332.75     | \$ 83.33     | \$ 249.42     | 399.32%     | \$ 4,150.75   | \$ 83.33     | \$ 4,067.42   | 4981.10%    | \$ 4,483.50   | \$ 166.66     | \$ 4,316.84   | 2690.21%    |
| Other Expenditures                         |               |              |               |             |               |              |               |             |               |               |               |             |
| 8000 Depreciation Expense                  |               | 120.00       | -120.00       | 0.00%       |               | 120.00       | -120.00       | 0.00%       | 0.00          | 240.00        | -240.00       | 0.00%       |
| Total Other Expenditures                   | \$ 0.00       | \$ 120.00    | -\$ 120.00    | 0.00%       | \$ 0.00       | \$ 120.00    | -\$ 120.00    | 0.00%       | \$ 0.00       | \$ 240.00     | -\$ 240.00    | 0.00%       |
| Net Other Revenue                          | \$ 332.75     | -\$ 36.67    | \$ 369.42     | -907.42%    | \$ 4,150.75   | -\$ 36.67    | \$ 4,187.42   | -11319.20%  | \$ 4,483.50   | -\$ 73.34     | \$ 4,556.84   | -6113.31%   |
| Net Revenue                                | -\$ 30,786.46 | -\$ 153.26   | -\$ 30,633.20 | 20087.73%   | -\$ 33,635.45 | -\$ 153.26   | -\$ 33,482.19 | 21946.66%   | -\$ 64,421.91 | -\$ 306.52    | -\$ 64,115.39 | 21017.20%   |

## Time Certificate of Deposit

**Financial Institution:** Frost Bank  
Downtown San Antonio  
111 W. Houston St., Ste. 100  
San Antonio, TX 78205-1121

**Customer Number:** [REDACTED]

**Financial Center:** 0001

**Account Holder(s):** CITY OF WINDCREST  
ECONOMIC DEVELOPMENT CORPORATION

**Ownership Type:** Corporation

**SSN/TIN:** 74-1587947

| Account Number | Issue Date       | Deposit Amount | Term      | Maturity Date    |
|----------------|------------------|----------------|-----------|------------------|
| [REDACTED]     | JANUARY 04, 2023 | \$250,000.00   | 12 Months | JANUARY 04, 2024 |

### Rate Information

This Account is an interest bearing account.

The interest rate paid on the entire collected balance in your account will be 3.35% with an annual percentage yield of 3.35%.

The interest rate and annual percentage yield will not change for the term of the account.

Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will not be compounded on the account.

Interest will be credited at maturity.

Interest on your account will be credited by:

☒ Adding Interest to the Principal

☐ Depositing interest to account # \_\_\_\_\_

ACCOUNT / ROUTING

### Balance Information

We use the daily balance method to calculate the interest on the Account. This method applies a daily periodic rate to the principal in the account each day.

We will use the interest accrual basis of 365 (or 366 in leap year) for each day in the year.

### Limitations

☒ You must deposit \$100,000.00 to open this account.

☐ You may not deposit more than \_\_\_\_\_ to this account.

☒ Deposit limitations are as follows:

After the certificate is issued, you may not make deposits into the certificate until the maturity date.

☒ Withdrawal Limitations are as follows:

The certificate may not be withdrawn prior to its maturity date without the Bank's consent, and such consent can only be given at the time request for withdrawal is made.

### Time Account Information

We reserve the right to redeem the account if the certificate is held as collateral by this institution or other entity and the loan is defaulted.

If you withdraw any of the principal or interest before the maturity date we may impose a penalty of:  
30 days of interest. The penalty may include a deduction from the principal of the certificate.

We will use the rate in effect on the date of withdrawal.

The annual percentage yield assumes interest will remain on deposit until maturity. A withdrawal will reduce earnings. This account will automatically renew. You will have 10 calendar days after the maturity date to withdraw funds without penalty.

NON TRANSFERABLE - NON NEGOTIABLE

Member  
**FDIC**

Signature and Title of Authorized Financial Institution Signer

## **Memorandum of Understanding** **Type-B Economic Incentive Agreement**

This Memorandum of Understanding constitutes a Type-B Economic Incentive Agreement (hereinafter “**MOU**” or “**Agreement**”) is made and entered into by and between the City of Windcrest Economic Development Corporation, a Texas corporation, (the “**WEDC**”) and Eurostar, Inc. a Delaware Corporation operating under and as WSS, Inc. (collectively “**WSS**”); and each is a “**Party**” and collectively referred to as the “**Parties**”.

The “**Effective Date**” of this MOU shall be, \_\_\_\_\_, 2022.

WHEREAS, the WEDC is established in accordance with Texas law, to promote the creation of new and expanded business activity and to promote a wide range of civic and commercial projects within the City;

WHEREAS, the WEDC finds that the project with WSS described in the attached Letter of Intent (“**LOI**”) between the Parties, serves a public purpose and provides a public benefit, and furthers the public purposes of economic development, job creation and expansion of commerce as provided under Texas Local Government Code § 505.158 (the “**Project**”);

WHEREAS, the terms of the LOI shall be incorporated herein for all purposes and the Parties will work together in good faith in order to redevelop the property as described in the LOI (and defined below) and subject to the Owner/Landlord of the Property, Main Street Properties-Walzem LLC (“**Owner**”), cooperating as required, for the Project;

WHEREAS, the City of Windcrest and WEDC have each duly considered this project and approved of the Project and expenditure of funds and resources of WEDC outlined herein in accordance with applicable law, finding the project to be in the public interest and serving valid public purpose authorized under Texas Local Government Code Chapter 505;

NOW, THEREFORE, in consideration of good and valuable consideration, the same of which is hereby acknowledged, the Parties hereto agree as follows:

### **The Proposed Location**

Approximately 11,600 square feet of commercial retail space in the Red Tree Square shopping center, located at 5465 Walzem Road, Windcrest, Bexar County, Texas and more particularly depicted on Exhibit A attached hereto, together with all and singular the estate, interests, reversions, remainders, licenses, contracts, permits, approvals, authorities, consents, bonds, rights, benefits, utilities’ capacities, easements, tenements, entitlements, hereditaments, privileges and appurtenances thereon or in anywise appertaining thereto (whether surface, subsurface or otherwise), together with all improvements situated thereon, and any right, title and interest of Seller in and to adjacent streets, alleys and rights-of-way (the “**Property**”).

### **Investment by WSS**

WSS Agrees to the following “Investments”:

1. Invest no less than \$1,500,000.00 in direct expenditures for the renovation and refurbishment of the Improvements as described herein and construct substantial completion of the Improvements on the Property on or before March 30, 2023, in accordance with the design plans attached as Exhibit "B" and which are incorporated herein for all purposes. Such Improvements shall include renovation to a Pad Site and the existing buildings thereon wherein a 11,600 square foot retail space shall operate for the term of ten (10) years and which are more specifically described in Exhibit "B."
2. Establish a WSS branded retail location on the Property, as described by authorized representatives of WSS to WEDC's staff, such establishment to include a covenant to open and operate.
3. Create 15 to 18 new jobs, to focus on hiring locally when possible.
4. Generate annual sales of at least \$4,500,000.00 in the first full year of operations, and continuing thereafter for a period of three (3) years.
5. Work with Owner to improve the parking area for WSS customers as well as the larger parking lot as part of needed Improvements to the Common Area for the entire Shopping Center to benefit all tenants, such Improvements to include but not be limited to repaving, lighting and landscaping costs.

#### **Investment by WEDC**

1. Subject to the Express Contingencies, the WEDC agrees to pay ONE HUNDRED FIFTY THOUSAND AND NO/100 (\$150,000.00) to Company under the following schedule, to be utilized for construction of the Improvements on the Property: (i) FIFTY THOUSAND DOLLARS AND NO/100 (\$50,000.00) to be paid once Substantial completion of the construction is complete and either a "certificate of occupancy", "building certificate of occupancy", or a substantially similar certificate to the two previously cited certificates has been approved for such Substantial completion of the Improvements, (ii) FIFTY THOUSAND DOLLARS AND NO/100 (\$50,000.00) to be paid a year after the date the first payment made; provided that at least ten (10) full-time employee jobs are employed and at least one 11,600 square foot renovated retail space is fully operating as described in the LOI, and (iii) FIFTY THOUSAND DOLLARS AND NO/100 (\$50,000.00) to be paid one year after the date the second payment is made; provided that at least five (5) additional full-time employees (15 total) are employed and the 11,600 square foot WSS branded retail space has continuously operated as described in the LOI.
2. **PROVIDED, HOWEVER, SHOULD OWNER AND WSS** both agree to renovate the entire Parking Area (as defined in the LOI) for the use of all tenants of the Shopping Center, and not just the portion benefitting WSS, then WEDC shall extend (on a reimbursement basis once the Parking Area improvements are completed) an additional FIFTEEN THOUSAND AND NO/100THS DOLLARS (\$15,000.00) for construction of the parking lot Improvements on the Property. This additional amount to be paid to the party incurring the expense for the parking lot Improvements (either Landlord/Owner or WSS or pro-rata, subject to adequate documentation being provided to WEDC).

#### **General Terms:**

The Parties have identified the following as essential and material terms of this Agreement:

- a. Express Contingencies: WSS and Owner entering in to a Lease Agreement with no less than a ten (10) year initial term; WSS renovating the space as described in the LOI and above, and operating a store and meeting or exceeding the WSS Investments. Owner agreeing to and Owner and WSS making the additional parking lot Improvements. A release of liens on all construction or renovations from all subcontractors, trades and materialmen is also required.
- b. This Agreement is contingent on and subject to WEDC and the City having budgeted funds available to make and pay the Investment by WEDC described above and at the times described above.

**Additional Terms:**

This MOU does not establish a joint venture, partnership, agency or any other business association between the Parties.

Each Party may withdraw from its participation in this MOU (and thereby terminate this Memorandum of Understanding) at any time without liability or further obligation for such termination to any other Party or its affiliates by providing the other Party five (5) calendar days' advance written notice of termination.

This MOU shall be governed by and construed in accordance with the laws of the State of Texas, United States of America, without regard to its conflicts of law provisions, and the courts in San Antonio, Texas, County of Bexar, shall have venue over any conflict arising from this Memorandum of Understanding. This MOU shall supersede and replace any prior oral or written agreement between the parties, and any such prior agreement shall be terminated upon execution of this MOU.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives on the respective dates entered below.

**CITY OF WINDCREST  
ECONOMIC DEVELOPEMENT CORPORATION (WEDC)**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**WSS, Inc. and Eurostar, Inc.**

(Use under "WSS" Tradename)

By: \_\_\_\_\_  
Jeffrey Porter, Chief Financial Officer

**A RESOLUTION AUTHORIZING WINDCREST ECONOMIC DEVELOPMENT CORPORATION TO ENTER INTO A TYPE-B ECONOMIC INCENTIVE AGREEMENT WITH WSS, INC. (THROUGH EUROSTAR, INC.) FOR REDEVELOPMENT OF A PORTION OF RED TREE SQUARE SHOPPING CENTER IN THE CITY OF WINDCREST.**

WHEREAS, the City Council of the City of Windcrest (City) and Windcrest Economic Development Corporation (WEDC) must each approve certain transactions by the WEDC; and

WHEREAS, the City and WEDC have each determined that it would provide a public benefit, and further the public purposes of economic development, job creation, and expansion of commerce for the WEDC to enter into a Memorandum of Understanding with WSS, Inc. and Eurostar, Inc., to work together in good faith for the Project defined below;

WHEREAS, the WEDC is established in accordance with Texas law, to promote the creation of new and expanded business activity and to promote a wide range of civic and commercial projects within the City;

WHEREAS, the City and WEDC finds that the project with WSS described in the attached Letter of Intent ("LOI") between the Parties, serves a public purpose and provides a public benefit, and furthers the public purposes of economic development, job creation and expansion of commerce as provided under Texas Local Government Code § 505.158 (the "Project");

WHEREAS, the City of Windcrest and WEDC have each duly considered this project and approved of the Project and expenditure of funds and resources of WEDC outlined herein in accordance with applicable law, finding the project to be in the public interest and serving valid public purpose authorized under Texas Local Government Code Chapter 505;

WHEREAS, the City and WEDC find that the Project to be in the public interest and serving valid public purposes authorized under Texas Local Government Code Chapter 505.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Windcrest, Texas, and the Windcrest Economic Development Corporation, that:

- The WEDC is authorized to enter into a Memorandum of Understanding with Eurostar, Inc./WSS, Inc., to be negotiated and based in principal part on the MOU draft attached hereto as **Exhibit A**.
- The WEDC Executive Director is hereby authorized to execute such documents and instruments reasonably necessary to facilitate the intent of this Resolution.
- This Resolution and the Memorandum of Understanding is subject to any other legal requirements of state law.

**DULY PASSED AND APPROVED**, at **two readings** occurring on the \_\_\_\_ day of \_\_\_\_\_, and \_\_\_\_ day of \_\_\_\_\_, 2022 at meetings of the City Council of the City of

Windcrest, Texas, which meeting was held in compliance with the Open Meetings Act, Tex. Gov't Code, § 551.001, et. seq. at which meeting a quorum was present and voting.

**DULY PASSED AND APPROVED**, on the \_\_\_\_ day of \_\_\_\_\_, 2022 at a meeting of the WEDC, which meeting was held in compliance with the Open Meetings Act, Tex. Gov't Code, § 551.001, et. seq. at which meeting a quorum was present and voting.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives on the respective dates entered below.

**For the  
CITY OF WINDCREST, TEXAS**

---

**For the  
CITY OF WINDCREST ECONOMIC DEVELOPMENT CORPORATION**

---



September 13, 2022

WSS, Inc.  
c/o Eurostar, Inc.  
879 W. 190th Street  
Gardena, CA 90248  
Attention: Lease Administration

**Re: Non-Binding Letter of Intent for WEDC to provide Incentives for Eurostar under WSS's Tradename to Lease and Renovate/ Refurbish a portion of the commercial retail space in the Red Tree Square shopping center located at 5465 Walzem Road, Windcrest, Bexar County, Texas.**

To Whom It May Concern:

On behalf of City of Windcrest Economic Development Corporation ("WEDC"), this non-binding letter of intent outlines the general business terms and conditions under which the WEDC proposes, subsequent to and expressly contingent upon WEDC's Board's Approval, a Public Hearing process and required readings and approvals by the Windcrest City Council, and upon the parties entering into an Economic Incentives Agreement, Eurostar, Inc. as the Tenant (with Tenant operating under WSS as the Tenant's Tradename) and the property Owner/Landlord entering into a lease authorizing improvements including renovating/refurbishing a portion of the Red Tree Square shopping center to include approximately 11,600 square feet as well as the entire parking lot and exterior improvements to the exterior common area to include new paving, lighting, striping (subject to owner cooperation and approval).

**Owner/Landlord:** Main Street Properties-Walzem LLC  
c/o Mike Litofsky  
P.O. Box 460285  
San Antonio, TX 78246

**Company/Tenant:** Eurostar, Inc., a Delaware corporation

**Tenant Tradename:** ~~WSS, Inc.~~ 

**Property:** Approximately 11,600 square feet of commercial retail space in the Red Tree Square shopping center, located at 5465 Walzem Road, Windcrest, Bexar County, Texas and more particularly depicted on Exhibit A attached hereto, together with all and singular the estate, interests, reversions, remainders, licenses, contracts, permits, approvals, authorities, consents, bonds, rights, benefits, utilities' capacities, easements, tenements, entitlements, hereditaments, privileges and appurtenances thereon or in anywise appertaining thereto (whether surface,

subsurface or otherwise), together with all improvements situated thereon, and any right, title and interest of Seller in and to adjacent streets, alleys and rights-of-way (the “**Property**”).

**Express**

**Contingencies:**

**THIS NON-BINDING LOI IS EXPRESSLY CONTINGENT UPON 1) WEDC’S RECEIPT OF ITS BOARD APPROVAL, 2) THE RESULTS OF A PUBLIC HEARING PROCESS, 2) REQUIRED READING(S) AND APPROVAL(S) BY CITY COUNCIL AS MAY BE REQUIRED BY LOCAL CODE AND ORDINANCE AND STATE LAW, AND 4) THE PARTIES ENTERING INTO A FULLY NEGOTIATED ECONOMIC INCENTIVE AGREEMENT.**

**Company/Lessee**

**Deliverables:**

1. Invest no less than \$1,500,000.00 in direct expenditures for the renovation and refurbishment of the Improvements as described herein and construct substantial completion of the Improvements on the Property on or before March 30, 2023, in accordance with the design plans attached as Exhibit “B” and which are incorporated herein for all purposes. Such Improvements shall include renovation to a Pad Site and the existing buildings thereon wherein a 11,600 square foot retail space shall operate for the term of ten (10) years and which are more specifically described in Exhibit “B.”
2. Establish a WSS branded retail location on the Property, as described by authorized representatives of WSS to WEDC’s staff, such establishment to include a covenant to open and operate.
3. Create 15 to 18 new jobs, to focus on hiring locally when possible.
4. Generate annual sales of at least \$4,500,000.00 in the first full year of operations, and continuing thereafter for a period of three (3) years.
5. Work with Owner to improve the parking area for WSS customers as well as the larger parking lot as part of needed Improvements to the Common Area for the entire Shopping Center to benefit all tenants, such Improvements to include but not be limited to repaving, lighting and landscaping costs.

**Owner/Lessor**

**Deliverables:**

1. Lease Agreement for a ten (10) year term.
2. Enter into Agreement to renovate entire parking area for benefit of all tenants of Shopping Center. If Owner/Lessor agrees to do so, together with Company/Lessee, WEDC shall increase grant an additional \$15,000 to provide for parking improvements.

**WEDC**

**Deliverables:**

1. Subject to the Express Contingencies, the WEDC agrees to pay ONE HUNDRED FIFTY THOUSAND AND NO/100 (\$150,000.00) to Company under the following schedule, to be utilized for construction of the Improvements on the Property: (i) FIFTY THOUSAND DOLLARS AND NO/100 (\$50,000.00) to be

paid once Substantial completion of the construction is complete and either a “certificate of occupancy”, “building certificate of occupancy”, or a substantially similar certificate to the two previously cited certificates has been approved for such Substantial completion of the Improvements, (ii) FIFTY THOUSAND DOLLARS AND NO/100 (\$50,000.00) to be paid a year after the date the first payment made; provided that at least ten (10) full-time employee jobs are employed and at least one 11,600 square foot renovated retail space is fully operating on Pad Site A, which is more specifically described in Exhibit “B,” and (iii) FIFTY THOUSAND DOLLARS AND NO/100 (\$50,000.00) to be paid one year after the date the second payment is made; provided that at least five (5) additional full-time employees (15 total) are employed and the 11,600 square foot WSS branded retail space has continuously operated on Pad Site A.

2. **PROVIDED, HOWEVER, SHOULD OWNER AND COMPANY** both agree to renovate the entire Parking Area (as defined below) for the use of all tenants of the Shopping Center, and not just the portion benefitting Company, then WEDC shall extend an additional FIFTEEN THOUSAND AND NO/100THS DOLLARS (\$15,000.00) to be utilized for construction of the parking lot Improvements on the Property, for a total potential financial incentive of (\$165,000.00) should all requirements be met/ This additional amount to be paid to the party incurring the expense for the parking lot Improvements (either Landlord/Owner or Company or pro-rata).

Respectfully submitted,

**CITY OF WINDCREST ECONOMIC DEVELOPMENT CORPORATION,**  
a Texas non-profit corporation

By: Mario Hernandez  
Mario Hernandez, Executive Director

*Agreed and Accepted this* 25th *day of* October, 2022.

EUROSTAR, INC.,  
a Delaware Corporation

(Use under “WSS” Tradename)

By: [Signature]  
Jeffrey Porter, Chief Financial Officer

**EXHIBIT A**

**Legal Description – 5465 Walzem Road – Red Tree Square Shopping Center**

**EXHIBIT B**

**Describe Renovations and Plans**

**Signature:**

**Email:** arivera@shopwss.com