

ORDINANCE NO. 12-03

AN ORDINANCE AMENDING THE BUDGET FOR THE CITY OF PORT ARTHUR SECTION 4A ECONOMIC DEVELOPMENT CORPORATION FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2011 AND ENDING SEPTEMBER 30, 2012 TO BUDGET FOR PROMOTIONAL EXPENDITURES FOR THE DOWNTOWN RENAISSANCE DISTRICT BOARD (DRDB)

WHEREAS, the City Council approved the budget for the City of Port Arthur Section 4A Economic Development Corporation (the "PAEDC") on September 20, 2011 per Ordinance No. 11-49; and

WHEREAS, Section 4A(b)(1) of the Development Corporation Act of limits Section 4A corporations to spending no more than 10 percent of the corporate revenues (Section 4A tax proceeds) for promotional purposes. Yet, the Attorney General has concluded that a promotional expenditure "must advertise or publicize the city for the purpose of developing new and expanded business enterprises." Further, a corporation is limited to spending not more than 10 percent of its current annual revenues for promotional purposes in any given year. **Nonetheless, unexpended revenues specifically set aside for promotional purposes in past years may be expended along with 10 percent of current revenues without violating the cap; and**

WHEREAS, the PAEDC Board of Directors at its Special Board meeting on October 10, 2011, approved of amending the 2012 Fiscal Year's budget for promotional expenditures in an amount not to exceed ten (10) percent of revenues. PAEDC estimated that they will receive \$4,200,000.00 in revenues for the 2012 fiscal year and therefore would like to budget

\$379,500.00 for promotional expenditures to be added to our Promotional Programs account number 120-1429-582-59.06; and

← **WHEREAS**, on October 18, 2011 the City Council approved Ordinance Number 11-56 amending the budget for the City of Port Arthur Section 4A Economic Development Corporation to be increased by \$379,500 for promotional expenditures for the renovation of the Downtown Pavilion bringing the total budget to a sum of Six Million Three Hundred Sixty One Thousand Six Hundred Seventy Eight Dollars (\$6,361,678).

WHEREAS, the PAEDC Board of Directors at its Special Board meeting on October 10, 2011, approved of amending the 2012 Fiscal Year's budget for promotional expenditures in an amount of \$101,047.00 from unexpended revenues specifically set aside for promotional purposes in past years as denoted in "**Exhibit A**" to fund the DRDB promotional activities for Downtown Port Arthur; and

WHEREAS, sufficient funds are available in the operating reserve of the Corporation to fund this amendment and the funds should be added to our Promotional Programs account number 120-1429-582-59.06; and

WHEREAS, the PAEDC Bylaws requires that the City Council approve its budget and budget amendments.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT ARTHUR, TEXAS:

Section 1. That the facts and opinions in the preamble are true and correct.

Section 2. That the Budget for the City of Port Arthur Section 4A Economic Development Corporation be increased by \$101,047 for promotional expenditures for the DRDB.

Section 3. That Section 2 of Ordinance 11-49 shall be amended to read: That the budget of the City of Port Arthur Section 4A Economic Development Corporation is hereby adopted and approved in the sum of Six Million Four Hundred Sixty Two Thousand Seven Hundred Twenty-Five Dollars (\$6,462,725).

Section 4. That a copy of the caption of this Resolution be spread upon the Minutes of the City Council.

Section 5. That the ordinance shall be effective immediately.

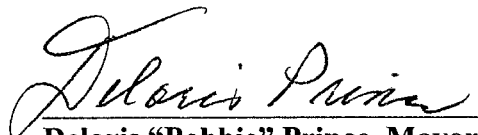
READ, ADOPTED AND APPROVED on this 10th day of Jan A.D., 2012, at a Meeting of the City Council of the City of Port Arthur, Texas, by the following vote:

AYES:

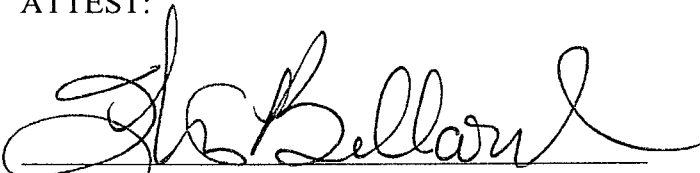
Mayor Prince; Mayor Pro Tem Asuncion;

Councilmembers Isitt, Segler, Albright, Beard,
Williamson, Freeman and Thomas.

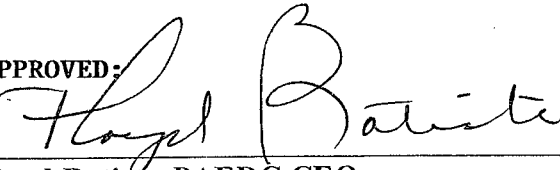
NOES: None.


Deloris "Bobbie" Prince, Mayor

ATTEST:

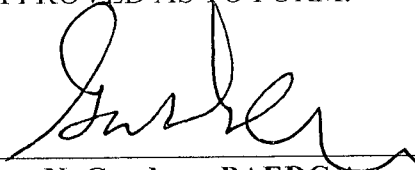

Sherri Bellard, City Secretary

APPROVED:



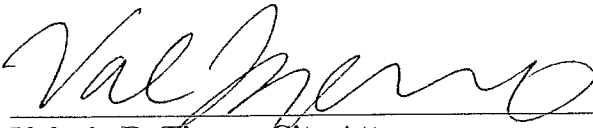
Floyd Batiste, PAEDC CEO

APPROVED AS TO FORM:

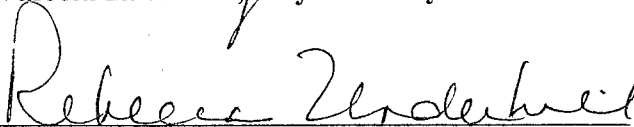


Guy N. Goodson, PAEDC Attorney

APPROVED AS TO FORM:



Valecia R. Tizeno, City Attorney



Rebecca Underhill, Assistant City
Manager/Administration

Exhibit “A”

PROMOTION & DEVELOPMENT FUND (ADVERTISING)

	BUDGETED	ACTUAL/EST. SPENT	DIFFERENCE		
2011/2012	40,500.00	40,500.00	0.00	ESTIMATED	
2010/2011	33,000.00	21,782.38	11,217.62		
2009/2010	54,042.00	14,938.12	39,103.88		
2008/2009	12,834.00	12,505.81	328.19		
2007/2008	15,000.00	12,216.95	2,783.05		
2006/2007	37,386.00	37,808.97	(422.97)		
2005/2006	37,200.00	37,070.51	129.49		
2004/2005	30,000.00	22,431.70	7,568.30		
2003/2004	30,500.00	17,404.06	13,095.94		
2002/2003	50,000.00	22,755.64	27,244.36		
TOTAL	340,462.00	239,414.14	101,047.86		
FY 2012 Promotional Funds:					
ORDINANCE 11-56 (BUDGET ADJ)			379,500.00		
LESS: PAVILION			(336,578.00)		
THANK YOU GALA			(35,000.00)		
BALANCE			7,922.00		
ORDINANCE (PROPOSED BUDGET ADJ)			101,047.00		
DRDB			(98,000.00)		
BALANCE			10,969.00		