



## MEMORANDUM

<b>To:</b>	Seguin City Council Donna Dodgen, Mayor
<b>CC:</b>	Steve Parker, City Manager Mark Kennedy, City Attorney
<b>From:</b>	Josh Schneuker Director, Economic Development   Executive Director, SEDC
<b>Meeting Date:</b>	August 6, 2024
<b>Subject:</b>	Fiscal Year 2025 Management Services Agreement

### Overview

The SEDC and City of Seguin Management Services Agreement outlines the management, administrative and financial services the City provides to the SEDC. The City of Seguin's Director of Economic Development serves as the designated employee of the City described in Section 4.03 (4) of the SEDC Bylaws (Executive Director) charged with the responsibility of carrying out the SEDC's plan and program as adopted by the Board. The SEDC and City share the cost for the management services provided under the Agreement by paying to the City 10% of the annual Type A sales tax received by the SEDC. These payments are remitted by the SEDC to the City of Seguin monthly.

### **Management Services**

Under the Management Services Agreement, the City provides management, administrative and financial services to the SEDC. Direct services the City shall perform for the SEDC shall include, but not be limited to:

1. Development of an economic development plan, as required by Section 4.03 (1) (a-e) of the Corporation's Bylaws, for review and approval by the SEDC Board and City Council.
2. Present an Annual Economic Development Report once each year, no later than November 30 of each year, as required by Section 4.03 (5) of the SEDC Bylaws.
3. Reviewing and advising the SEDC Board of the tasks and responsibilities of the SEDC and its Board pursuant to law and the SEDC Articles and Bylaws to ensure that the SEDC carries out its duties and requirements imposed on it by law and the Articles and Bylaws.
4. Preparing all reports and keeping all books and records required by the SEDC's Bylaws including Sections 4.03 (5) and 8.12, 8.13 and 9.01 of the Bylaws.
5. Negotiating all contracts on behalf of the Board with any qualified and appropriate person, association, corporation or governmental entity to perform and discharge designated tasks, as directed by the Board and authorized by Section 5.10 of the Bylaws.
6. Administering and monitoring, on the Board's behalf, all contracts authorized by Section 5.10 of the Bylaws, and monitoring the progress of and report to the SEDC concerning programs for direct economic development the Board has expended tax funds on.
7. Preparing a budget for the forthcoming year for review and approval by the Board and City Council. The budget shall be prepared in accordance with Section 8.02 of the Bylaws.

8. Providing all necessary accounting and financial management through the City's Finance Department. Services shall be provided in accordance with Section 8 of the Bylaws.
9. Providing all personnel necessary for management and administration of projects and programs of the SEDC. City shall be responsible for the hiring, evaluation, and/or termination of personnel, who shall be City of Seguin employees and subject to all personnel policies thereof.
10. Providing all necessary secretarial support, minutes, repository of records, and office and conference space.

**No changes are being proposed to the management, administrative and financial services that the City provided to the SEDC, per the Management Services Agreement.**

## **Personnel Salary and Benefits Cost Sharing**

Per the Management Services Agreement, the City is responsible for establishing the positions of Assistant Director, Business Retention Specialist and Marketing Specialist/Office Manager. The SEDC and the City of Seguin cost share in personnel salary and benefits associated with economic development staff. Under the current structure of the MSA, those personnel salary and benefit costs are shared as follows:

- **Director of Economic Development/SEDC Executive Director**
  - Salary and Benefits: 100% paid by the City of Seguin
  - Vehicle Allowance: 100% paid by the City of Seguin.
  - Phone and Data allowance. 100% paid by the City of Seguin.
- **Deputy Director**
  - Salary and Benefits: 100% paid by the SEDC.
  - Vehicle Allowance: 100% paid by the City of Seguin.
  - Phone and Data allowance. 100% paid by the City of Seguin.
- **Industry and Workforce Development Manager**
  - Salary and Benefits: 100% paid by the SEDC.
  - Phone and Data allowance. 100% paid by the City of Seguin.
- **Marketing and Events Manager**
  - Salary and Benefits: 100% paid by the SEDC.
  - Phone and Data allowance. 100% paid by the City of Seguin.

**No changes are being proposed to the personnel salary and benefits cost sharing structure, per the Management Services Agreement.**

## **Staff Recommendation**

There are no major changes between the current agreement and the proposed agreement for Fiscal Year 2025. The agreement will be effective for a period of one year, starting on October 1, 2024, and ending on September 30, 2025. On August 1, 2024, the SEDC Board of Directors approved Resolution No. 2024-14, approving the FY 2025 Management Services Agreement with the City of Seguin. Staff and the SEDC Board of Directors are recommending approval of the resolution approving the Management Services Agreement between the SEDC and the City of Seguin for Fiscal Year 2025.

## **Attachments**

FY 25 Management Services Agreement.