

MEMORANDUM

To: Mayor and City Councilmembers
Douglas Faseler, City Manager

From: Susan Caddell
Director of Finance

Subject: Civic Organization Agreements

Date: October 7, 2019

During the fiscal year 2020 budget process, City Council approved funding to various civic organizations through the Occupancy Tax Fund. In order to provide the funding to these organizations, an agreement between the organization and the City must be signed. The second paragraph in Section II states that if the City of Seguin does not receive the expected revenue of \$725,000 for fiscal year 2020, the organization's funding will be reduced on a pro rata basis. This is to insure that more money will not be distributed than what was received.

Once again, a stipulation is included in the agreement with the Seguin-Guadalupe County Hispanic Chamber of Commerce. In FY17, they requested funding for two celebrations; Fiestas Juan Seguin, which was to be held in June 2017 and Fiestas Patrias, which was to be held in September 2017. Neither event was held, but funding was provided due to the fact the FY17 agreement did not require them to hold the event they were requesting the funding for. In FY18, only one of the celebrations was held; therefore, they only received 1/2 of their approved funding. In FY19, none of the celebrations were held; therefore, they did not receive any funding for that year. All other organizations held the events they were requesting the funding for.

The last paragraph in Section IV states that in order for an organization to receive funding, the organization cannot owe any delinquent ad valorem taxes, any liens, or any unpaid debt to the City. Currently, there are no Occupancy Tax Fund civic organizations that have any outstanding debt owed to the City. Attached are the agreements with the various organizations and resolutions for your approval.

Please let me know if you have any further questions.