

**MINUTES OF PROCEEDINGS
REGULAR MEETING
LA FERIA INDUSTRIAL DEVELOPMENT CORPORATION (LFIDC)
THURSDAY, MAY 2, 2013**

Be it known that the Board of Directors of the La Feria Industrial Development Corporation (LFIDC) met in regular session on Thursday, May 2, 2013, at 6:30 PM, in the City Commission Meeting Room, 115 East Commercial Avenue, La Feria, Texas 78559. The purpose of said meeting was to consider and take action on such business as was duly posted by agenda in accordance with State Open Meetings Law. The following Board Members were present at said meeting:

Mr. Brad Shields	President
Mr. Steven Salinas	Vice President
Mr. Ignacio A. Garcia Galvez	Secretary/Treasurer
Ms. Candace Y. Guillen	Board Member
Mr. Lloyd Betts	Board Member
Mr. Steve Brewer	Mayor/Ex-Officio Board Member

Staff present: Mr. Sunny K. Philip	City Manager/Executive Director
Ms. Maria Chavero	Finance Director
Ms. Paula Rodriguez	Capital Projects Coordinator
Ms. Olga Oberwetter	City Secretary

The only other person present at this meeting was Mr. Robert Rodriguez from Long Chilton, LLP.

At 6:33 P.M., Board President Mr. Brad Shields led everyone present in reciting the Pledge of Allegiance to the Flag of the United States of America. He then declared that a quorum of the LFIDC Board was present and called the meeting to order.

ADMINISTER OATH OF OFFICE TO TWO NEW LFIDC BOARD MEMBERS

Mayor Steve Brewer administered the Oath of Office to two new board members, Ms. Candace Y. Guillen and Mr. Lloyd Betts. After the oath, both members assumed their respective seats on the board.

City Manager/Executive Director Mr. Sunny K. Philip said a few words about the La Feria Industrial Development Corporation, Inc. (LFIDC) Board for the benefit of the new members. He explained that the City Commission appoints the board members to the LFIDC Board and that the LFIDC is a subsidiary of the City. The LFIDC is a 4A Corporation which was formed in 1991. Mr. Philip explained that the sales tax in La Feria is 8.25% of which 6.25% goes to the State and 2.0% goes to the City of La Feria. The City General Fund gets 1.0% and the LFIDC and the La Feria Economic Development Corporation (LFEDC) each get 0.5%. Mr. Philip said Mr. Richard S. Talbert who was not at this meeting, is the City Attorney and the Attorney for the LFIDC and LFEDC. Mr. Philip said that the LFIDC has made a lot of positive difference in the city by buying and selling properties and facilitating developments. He added that the

City has a lot of boards, but the City uses the LFIDC to help promote economic development. Mr. Philip then introduced the City staff who were present at the meeting, Ms. Maria S. Chavero, Finance Director; Ms. Olga Oberwetter, City Secretary/Human Resource Director; and Ms. Paula Rodriguez, Capital Projects Coordinator. He also explained that the LFIDC does not have bidding requirements, but that staff always gets quotes and brings before the board competitive bids. He also explained the rules for Executive Session and said that later on in the meeting, the board would go into Executive Session and the discussions in that session are very private and should not be discussed with the outside community. Mr. Philip also discussed conflict of interest and how the LFIDC is always above board. Mayor Steve Brewer added that he sits on the LFIDC Board as an ex-officio member and that though he gives his opinion from time to time, he does not have a vote.

Mr. Philip asked the board members to please call him if they have any questions at any time.

REVIEW AND APPROVE MINUTES OF PROCEEDINGS OF THE PREVIOUS REGULAR MEETING OF THE LA FERIA INDUSTRIAL DEVELOPMENT CORPORATION (LFIDC) HELD ON THURSDAY, MARCH 7, 2013

After review of the minutes, Ms. Candace Y. Guillen moved to approve the minutes of proceedings of the previous regular meeting of the La Feria Industrial Development Corporation (LFIDC) held on Thursday, March 7, 2013. Mr. Lloyd Betts seconded the motion, and the motion carried by unanimous vote of the LFIDC Board.

MONTHLY FINANCIAL REPORTS FOR THE MONTH MARCH 2013

Finance Director Ms. Maria Chavero reviewed the financial reports for the month of March 2013. She reviewed the budget versus actual figures for both the month and the year-to-date figures. Ms. Chavero also reviewed the Analysis of Current IDC Sales Tax Collection Report, which reflected an average of \$22,539 per month. She then reviewed the Sales and Use Tax Comparison Summary, which reflected an increase of 32.60% for the month and 11.36% year-to-date over last year. After review, Board President Mr. Brad Shields announced that the reports would be filed for audit.

CONSIDER AND TAKE ACTION TO ACCEPT THE ANNUAL AUDIT REPORT FOR THE LA FERIA INDUSTRIAL DEVELOPMENT CORPORATION (LFIDC) FOR FISCAL YEAR ENDING SEPTEMBER 30, 2012

Mr. Robert Rodriguez with the accounting firm of Long Chilton, LLP was present to review the Annual Audit Report for the LFIDC. He said that the LFIDC is a component unit of the City of La Feria and that this report is also included in the overall audit for the City. Mr. Rodriguez referred the board members to paragraph three of page five of the Audit Report which states, "In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the La Feria Industrial Development Corporation, a component unit of the City of La Feria, Texas as of September 30, 2012 and 2011, and the results of its operations and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America." Mr. Rodriguez also asked the board to review pages nine

through 13 which is "Management's Discussion & Analysis" for an overview of the year's activity. He then reviewed the financial statements with the board. After review and all questions answered, Mr. Ignacio A. Garcia Galvez moved to accept the Annual Audit Report for the La Feria Industrial Development Corporation (LFIDC). Ms. Candace Y. Guillen seconded the motion, and the motion carried by unanimous vote of the LFIDC Board.

EXECUTIVE (CLOSED) SESSION PURSUANT TO THE PROVISIONS OF THE OPEN MEETING LAWS, CHAPTER 551, GOVERNMENT CODE, IN ACCORDANCE WITH THE AUTHORITY CONTAINED IN SECTION 551.072 TO DISCUSS THE PROPOSED ACQUISITION/SALE/LEASE OF REAL ESTATE BY THE LA FERIA INDUSTRIAL DEVELOPMENT CORPORATION AND SECTION 551.087 TO DISCUSS ECONOMIC DEVELOPMENT NEGOTIATIONS

Board President Mr. Brad Shields declared the meeting in executive session at 7:05 P.M. After executive session deliberation, Mr. Shields declared the meeting back in open session at 7:30 P.M.

CONSIDER AND TAKE ACTION DEEMED NECESSARY AS A RESULT OF EXECUTIVE SESSION DELIBERATIONS

There was no action needed as a result of executive session deliberation.

PUBLIC COMMENTS

Board President Mr. Brad Shields declared the public comment session open. No one signed up to speak before the board, so Mr. Brad Shields declared the public comment session closed.

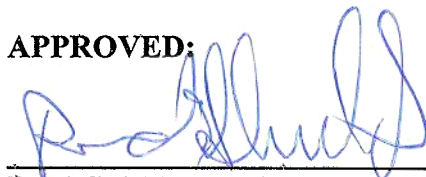
ACTION FOR ADJOURNMENT

There being no further business to conduct, Mr. Steven Salinas moved to adjourn the meeting. Mr. Lloyd Betts seconded the motion, and the motion carried by unanimous vote of the LFIDC Board.

ADJOURNMENT

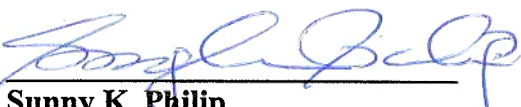
Board President Mr. Brad Shields adjourned the meeting at 7:31 P.M.

APPROVED:



Brad Shields, President

ATTEST:



Sunny K. Philip
City Manager/Executive Director

These minutes were prepared and filed with the City of La Feria as official record of the City of La Feria and the La Feria Industrial Development Corporation at 6:50 PM on Tuesday, June 4, 2013.



Sunny K. Philip
City Manager/Executive Director