

**AMENDMENT TO THE 2014 AGREEMENT BETWEEN THE CITY OF NEW BRAUNFELS AND  
THE GREATER NEW BRAUNFELS CHAMBER OF COMMERCE, INC.  
CONCERNING THE USE OF HOTEL OCCUPANCY TAX FUNDS**

STATE OF TEXAS           §  
  §  
COUNTY OF COMAL       §

This Amendment is entered into on the \_\_\_\_\_ day of September, 2018 by and between the City of New Braunfels, a Municipal Corporation of the State of Texas, hereinafter called "City", acting herein by and through its City Manager, and the Greater New Braunfels Chamber of Commerce, Inc., a private non-profit corporation hereinafter called "Chamber", acting by and through its duly elected officers.

The Agreement originally entered into June, 2014, and subsequently amended November, 2014, and March, 2017, is hereby amended as indicated below in Section 6 and Section 11 using underlined font for new language and strike through font for deleted language.

**SECTION 6. TRANSFER OF FUNDS**

6.1 Payments. For the first six months of ~~the~~ each fiscal year (October-March), the City shall remit monthly payments to the Chamber in an cumulative amount not to exceed fifty percent (50%) of the City Council approved annual budgeted expenditures. The monthly payments from October-March will be based on the projected cash flow requirement of the convention and tourism fund activities. The Chamber ~~staff~~ will submit a funding/payment request to the ~~Director of Finance~~ Chief Financial Officer no later than 10 business days prior to the beginning of the month. Beginning in April and continuing through the end of the fiscal year, monthly payments will be submitted that reconcile the actual and late amounts remitted to fifty percent (50%) of the actual hotel/motel collections fiscal year to date (including late ~~quarter ending~~ payments when applicable). The last monthly payment of the fiscal year shall be in an amount that reconciles, in accordance with Section 6.2, actual Convention and Tourist Fund (CTF) operations and maintenance expenditures against total actual City Hotel Occupancy Tax receipts, including late payments in the fiscal year plus the required reserve as defined in this section with the amount paid into the CTF in the first ~~twelve~~ eleven months of the fiscal year. City shall remit the monthly payments to the Chamber within forty-five (45) days after the end of each month.

6.2 Fiscal Reconciliation. ~~Within forty five (45) days after the end of each fiscal year, City and Chamber will reconcile the payments made during the year with actual CTF expenditures as well as the required reserve as defined in Section 6.1, and either a reimbursement from the Chamber to City or an additional payment from City to Chamber will be made in order to reflect the true monetary payments required to be made pursuant to this Agreement for the preceding calendar year. In no case shall the total payment to the CTF exceed 50 percent of the total local hotel occupancy tax received by the City in a fiscal year.~~ Within forty-five (45) days after the end of each fiscal year, City and Chamber

will reconcile the actual CTF operating/maintenance budget with actual City Hotel Occupancy Tax receipts, including late payments. The CTF balance/reserve will also be reconciled so that a reserve balance is maintained that is equal to \$700,000 or 30% of the approved budget. The cash flow reserve is calculated as \$700,000 or thirty percent (30%) of the annual operating and maintenance expenditures adopted in the current fiscal year budget, whichever is greater. The cash flow reserve is not part of the adopted budget for operating and maintenance expenditures. The purpose of the cash flow reserve is to allow for effective cash flow of operating expenditures. In the event the Chamber needs to utilize the cash reserves for expenditures not in the adopted annual budget, City Council approval is required.

6.3 If, in any fiscal year, fifty 50 percent (50%) of the local hotel occupancy tax revenue exceeded the CTF's actual operating and maintenance expenditures ~~plus the required reserve (as defined in Section 6.1)~~, then the Chamber will submit to the City Council an amended budget that addresses the use of those funds. If, in any year, the CTF's actual operating and maintenance expenditures are higher than the 50% of the local hotel occupancy tax, the Chamber of Commerce can request from City Council authorization to utilize their reserves. If City Council elects to not allow for the use of reserves, the CTF's next year's budget will need to be decreased to a level that ensures that the 50% cap is not exceeded across both fiscal years.

#### **SECTION 11. NOTICE**

Wherever notice is required or permitted, the notice shall be in writing and deposited in the United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the parties at the respective addresses set out below, or at other addresses they have specified by written notice delivered in accordance herein:

City of New Braunfels  
Attn: City Manager and Mayor  
550 Landa Street  
New Braunfels, TX 78130

Greater New Braunfels Chamber of Commerce  
Attn: President and Chair of the Board  
P.O. Box 311417  
New Braunfels, TX 78131-141

ALL OTHER TERMS AND CONDITIONS PREVIOUSLY APPROVED REMAIN UNCHANGED.

IN WITNESS WHEREOF, the parties have hereunto set their hands in duplicate originals, in the City of New Braunfels, Comal County, Texas on this \_\_\_\_\_ day of \_\_\_\_\_ 2018.

CITY OF NEW BRAUNFELS

BY:

\_\_\_\_\_  
Robert Camareno, City Manager

ATTEST:

\_\_\_\_\_  
Patrick Aten, City Secretary

THE GREATER NEW BRAUNFELS CHAMBER OF COMMERCE, INC.

BY:

\_\_\_\_\_  
Chair of the Board

ATTEST:

\_\_\_\_\_  
Michael Meek, President