

CITY COUNCIL MEMORANDUM

AGENDA ITEM

Authorizing the donation of proceeds to the Texas A&M University Central Texas Foundation.

ORIGINATING DEPARTMENT

Community Services

BACKGROUND INFORMATION

Stonetree Golf Club hosted the inaugural Texas A&M Central Texas (TAMUCT) Golf Classic in 2010. The TAMUCT Golf Classic was launched to serve as a funding mechanism to support the university's scholarship funding for students. The TAMUCT Foundation has raised in excess of \$2.5 million for student scholarships. The TAMUCT Golf Classic is hosted annually in Central Texas. The hosting responsibilities are shared between Killeen and Copperas Cove. Killeen has hosted four of the six TAMUCT Golf Classic events.

DISCUSSION/CONCLUSION

As host of the TAMUCT Golf Classic, the City of Killeen has assisted the university in raising roughly \$26,000 for the university's scholarship fund. The following is a breakdown of the funds given back to TAMUCT at the conclusion of the four TAMUCT Golf Classic events hosted by the City of Killeen:

- 2010 - \$29,000 raised, \$22,000 contribution following expenses
- 2011 - \$26,000 raised, \$18,000 contribution following expenses
- 2013 - \$39,000 raised, \$31,000 contribution following expenses
- 2014 - \$46,000 raised, \$35,000 contribution following expenses

Staff proposes that City Council authorize Stonetree Golf Club to collect donations for the TAMUCT Golf Classic and utilize collected funds to pay any and all expenses related to hosting the event. At the events conclusion and following the payment of all incurred expenses related to the event, the remaining funds will be distributed in their entirety to the TAMUCT Foundation.

Article III, Section 52 and Article XI, Section 3 of the Texas Constitution states that the legislature may not authorize any county, city or other political subdivision to lend its credit or grant public money in aid of an individual, association, or corporation. The intent is to prevent local governments from making expenditures for private purposes. However, a donation can be made if the city council determines there is a legitimate public purpose, the city receives adequate consideration or return benefit for its donation, and the arrangement has sufficient controls to guarantee that city funds are being used for a municipal public purpose.

Community Services recognizes the value added to the local community via this partnership. The growth of TAMUCT Foundation's efforts will have a positive impact on our local economy

and will assist in the university's ability to attract a diverse student body. The community's financial participation in the TAMUCT Golf Classic is confirmation in the local community's support of the university.

FISCAL IMPACT

In 2014 the TAMUCT Golf Classic received sponsorships totaling \$46,000. After all fees associated with hosting the event were paid, a contribution in the amount of \$35,000 was made to the TAMUCT Foundation.

RECOMMENDATION

Staff recommends City Council authorize the city manager to allocate funds generated from the 2017 TAMUCT Golf Classic to the TAMUCT Foundation to support the university's scholarship program. The 2017 TAMUCT Golf Classic is scheduled for May 6, 2017. This action is needed to allow staff to engage in soliciting and receiving donations for the annual event.