KENNEDALE
Kennedale Economic
Development Corporation
www.cityofkennedale.com

# *ECONOMIC DEVELOPMENT CORPORATION*

**AGENDA**
**BOARD OF DIRECTORS - REGULAR MEETING**
**April 24, 2012**
**CITY HALL COUNCIL CHAMBERS, 405 MUNICIPAL DRIVE**

**REGULAR SESSION - 7:15 PM**

## I. CALL TO ORDER

## II. ROLL CALL

## III. MINUTES APPROVAL

A. Consider approval of regular meeting minutes from March 27, 2012.

## IV. REGULAR ITEMS

A. Discuss and consider action for approval of Independent Auditor's Report for year ended September 30, 2011.

B. Review KEDC Financial Report.

C. Tax Increment Financing presentation.

## V. STAFF ANNOUNCEMENTS/REPORTS

A. Updates from the Executive Director, Orasi Development, and the Kennedale Chamber of Commerce.

1. QuikTrip update
2. City Council Governance Workshop
3. Street project update
4. May 5th: Cleanup with the Keep Kennedale Beautiful Commission, International Migratory Bird Day activities, and Citywide cleanup at the C&D Landfill
5. May 19th: Bark in the Park/Kidfish/National Kids to Parks Day
6. Red's Roadhouse Restaurant

## VI. EXECUTIVE SESSION

A. The Economic Development Corporation will meet in closed session pursuant to Section 551.072 of the Texas Government Code to deliberate the purchase, sale, exchange, lease, or value of real property.

1. Sale of property at 1000 E Kennedale Parkway to Speed FabCrete
2. Purchase of property at 5428 Kennedale Parkway
3. Consider a partnership for hotel development
4. Discuss partner recruitment for Bloxom Park development

B. The Economic Development Corporation will meet in closed session pursuant to Section 551.087 of the Texas Government Code to deliberate the offer of a financial or other incentive to a business project with which the city is conducting economic development negotiations.

1. Review Texas Leverage Fund loan use request by Ross Karbosi
2. Discuss incentives for the Fowler Group

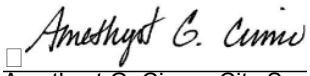
**VII. RECONVENE INTO OPEN SESSION, AND TAKE ACTION NECESSARY PURSUANT TO EXECUTIVE SESSION, IF NEEDED**

**VIII. ADJOURNMENT**

In compliance with the Americans with Disabilities Act, the City of Kennedale will provide for reasonable accommodations for persons attending City Council meetings. This building is wheelchair accessible, and parking spaces for disabled citizens are available. Requests for sign interpreter services must be made forty-eight (48) hours prior to the meetings. Please contact Amethyst Cirmo, City Secretary, at 817.985.2104 or (TDD) 1.800.735.2989

**CERTIFICATION**

I certify that a copy of the April 24, 2012, Kennedale Economic Development Corporation agenda was posted on the City Hall bulletin board next to the main entrance of the City Hall building, 405 Municipal Drive, of the City of Kennedale, Texas, in a place convenient and readily accessible to the general public at all times and said agenda was posted at least 72 hours preceding the schedule time of said meeting, in accordance with Chapter 551 of the Texas Government Code.



Amethyst G. Cirmo, City Secretary

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# Staff Report to the Board of Directors

**Date:** April 24, 2012

**Agenda Item No:** MINUTES APPROVAL - A.

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**I. Subject:**
Consider approval of regular meeting minutes from March 27, 2012.

**II. Originated by:**

**III. Summary:**

**IV. Recommendation:**

**V. Alternative Actions:**

**VI. Attachments:**

| | | |
|---|---|---|
| 1. | minutes | 03.27.2012 EDC Minutes.doc |

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# *ECONOMIC DEVELOPMENT CORPORATION*
## AGENDA
## BOARD OF DIRECTORS - REGULAR MEETING
## March 27, 2012
## CITY HALL COUNCIL CHAMBERS, 405 MUNICIPAL DRIVE

## REGULAR SESSION - 7:15 PM

### I. CALL TO ORDER

### II. ROLL CALL
**Roll Call**
**Present** Darrell Erwin, Pat Turner, Beverly Hayes, Robert Mundy, Mark Yeary, Rebecca Mowell
**Absent/Excused** Donnie Graham

### III. MINUTES APPROVAL

A. Discuss and consider regular meeting minutes from February 21, 2012.

**Motion** To approve the minutes as presented., **Action** Approve, **Moved By** Rebecca Mowell, **Seconded By** Beverly Hayes
Motion Passed Unanimously

B. Discuss and consider special meeting minutes from March 8, 2012.

**Motion** To approve the minutes as presented. , **Action** Approve, **Moved By** Rebecca Mowell, **Seconded By** Beverly Hayes
Motion Passed Unanimously

### IV. REGULAR ITEMS

A. Review KEDC Financial Report.

Sakura Moten Dedrick, Finance Director, presented financial information to the board, noting that the reports were now current. No questions were asked.

**Motion** To approve the financial report as presented., **Action** Approve, **Moved By** Darrell Erwin, **Seconded By** Mark Yeary
Motion Passed Unanimously

B. Discuss and consider authorizing the Executive Director to execute a contract with Orasi Development for development and maintenance of an economic development website.

Bob Hart approached the board regarding the need for a new economic development website to display information. As Orasi Development currently handles the Economic Development initiatives of the EDC, they are already equipped to handle all aspects of the website.

**Motion** To authorize the Executive Director to execute a contract with Orasi Development for development and maintenance of an economic development website., **Action** Approve, **Moved By** Rebecca Mowell, **Seconded By** Beverly Hayes
Motion Passed Unanimously

C. Consider a Resolution identifying alternate projects with the Texas Leverage Fund.

Bob Hart approached the board, noting that the State requires the EDC to produce a Resolution identifying potential projects for the remainder of the loan.

**Motion** To approve Resolution 5 as presented. , **Action** Approve, **Moved By** Darrell Erwin, **Seconded By** Mark Yeary
Motion Passed Unanimously

## V. STAFF ANNOUNCEMENTS/REPORTS

A. Updates from the Executive Director, Orasi Development, and the Kennedale Chamber of Commerce.

1. Art in the Park March 30 - April 1

2. Bloxom Park Update

3.QuikTrip
- QuikTrip demolition and construction is on schedule.

4. Red's Roadhouse Restaurant
- The restaurant is well on its way, with a May 24th opening possible.

5. TIF District
- New Hope Road wastewater extensions and land use alterations in the southern portion of town will be possible with this TIF.

6. Hotel development discussion
- The EDC has been contacted by a hotel regarding interest in property south of QuikTrip.

Bob Hart also presented brief information on the recent Village Creek flood control study.

President Mundy closed the regular meeting and went into executivesesion at 8:58 PM.

## VI. EXECUTIVE SESSION

A. The Economic Development Corporation will meet in closed session pursuant to Section 551.072 of the Texas Government Code to deliberate the purchase, sale, exchange, lease, or value of real property.

1. Lease/sale of property, including temporary lease, at 1000 Kennedale Parkway to Speed Fab-Crete

B. The Economic Development Corporation will meet in closed session pursuant to Section 551.087 of the Texas Government Code to deliberate the offer of a financial or other incentive to a business project with which the city is conducting economic development negotiations.

1. Potential Texas Leverage Fund loan use by selected businesses (Karbosi)

**VII. RECONVENE INTO OPEN SESSION, AND TAKE ACTION NECESSARY PURSUANT TO EXECUTIVE SESSION, IF NEEDED**

**President Mundy opened the meeting into open session at 9:01 PM**

**No action required**

**Next meeting 4/24**

**VIII. ADJOURNMENT**

**Motion** To adjourn., **Action** Adjourn, **Moved By** Rebecca Mowell, **Seconded By** Beverly Hayes
Motion Passed Unanimously

The meeting adjourned at 9:03 PM.

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# Staff Report to the Honorable Mayor and City Council

**Date:** April 24, 2012

**Agenda Item No:** REGULAR ITEMS - A.

---

**I. Subject:**
Discuss and consider action for approval of Independent Auditor's Report for year ended September 30, 2011.

**II. Originated by:**

Sakura Moten-Dedrick, Director of Finance & IT

**III. Summary:**

The auditor's opinion on the financial statements for the year ended September 30, 2011 is that the statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely-presented component unit, each major fund, and the aggregate remaining fund information of the Kennedale Economic Development Corporation (KEDC) as of September 30, 2011. The statements also present the respective changes in financial position and cash flows, where applicable, and the budgetary comparison for major fund-types, thus demonstrating the KEDC end of year financial report is in conformity with the Generally Accepted Accounting Principles (GAAP) as provided by the Governmental Accounting Standard Boards (GASB) of America.

Our auditors will be present to review their findings with the Board, as well as provide bound copies of the report.

**IV. Fiscal Impact Summary:**

**V. Legal Impact:**

**VI. Recommendation:**
Approve

**VII. Alternative Actions:**

Staff recommends Directors accept and approve the Independent Auditor's Report as presented by Patillo, Brown, & Hill, LLP.

**VIII. Attachments:**

| | | |
|---|---|---|
| 1. | FY10/11 Draft EDC Audit | 2011 Draft EDC Audit.pdf |

# KENNEDALE ECONOMIC DEVELOPEMENT CORPORATION

405 Municipal Drive • Kennedale, Texas 76060 • (817) 985-2100 •(817) 483-0720
www.cityyofkennedale.com

# KENNEDALE ECONOMIC DEVELOPMENT CORPORATION

## ANNUAL FINANCIAL REPORT

## SEPTEMBER 30, 2011

# KENNEDALE ECONOMIC DEVELOPMENT CORPORATION

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PB&H
PATTILLO, BROWN & HILL, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS ■ BUSINESS CONSULTANTS

# INDEPENDENT AUDITORS' REPORT

To the Board of Directors
of Kennedale Economic Development Corporation
Kennedale, Texas

We have audited the accompanying financial statements of the governmental activities and major fund of Kennedale Economic Development Corporation (the "Corporation"), a component of the City of Kennedale, Texas, as of and for the year ended September 30, 2011, which collectively comprise the Corporation's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund of the Corporation as of September 30, 2011, and the respective changes in financial position of these activities, and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 2 through 5 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

March 9, 2011



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TEMPLE, TX (254) 791-3460 ■ ALBUQUERQUE, NM (505) 266-5904

## MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Kennedale Economic Development Corporation, we offer readers of the Kennedale Economic Development Corporation financial statements, this narrative overview, and analysis of the financial activities of the Kennedale Economic Development Corporation for the fiscal year ended September 30, 2011. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the accompanying basic financial statements.

## FINANCIAL HIGHLIGHTS

- The assets of the Kennedale Economic Development Corporation exceeded its liabilities at the close of the most recent fiscal year by $4,972,517.

- The Kennedale Economic Development Corporation's net assets increased by $8,843. The increase was smaller than the prior year increase due to the prior year contribution from the City of Kennedale. Sales tax also decreased while payments to the City for debt increased.

- As of the close of the current fiscal year, the Kennedale Economic Development Corporation's governmental fund reported an ending fund balance of $2,181,440, an increase of $199,299 in comparison with the prior year. All of the fund balance is restricted for economic development.

- At the end of the current fiscal year, the restricted fund balance for the General Fund was $2,181,440, or 101.4% of the total General Fund expenditures.

## OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis is intended to serve as an introduction to the Kennedale Economic Development Corporation's basic financial statements. The Kennedale Economic Development Corporation's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of the Kennedale Economic Development Corporation's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the Kennedale Economic Development Corporation's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Kennedale Economic Development Corporation is improving or deteriorating.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in these statements for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes). Both the statement of net assets and the statement of activities are prepared utilizing the accrual basis of accounting as opposed to the modified accrual basis used in prior reporting models.

Governmental activities – Most of the Corporation's basic expenditures are reported here, including administrative and incentive grants. Sales taxes and investment earnings finance these activities.

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Kennedale Economic Development Corporation uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The Corporation uses the following fund type:

**Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decision. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Kennedale Economic Development Corporation maintains one individual governmental fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, which is considered to be a major fund.

The Kennedale Economic Development Corporation adopts an annual appropriated budget for its governmental fund. A budgetary comparison statement has been provided for General Fund component unit to demonstrate compliance with the budget.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found in the financial section.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, over time, net assets may serve as a useful indicator of the Corporation's financial position. In the case of the Kennedale Economic Development Corporation, assets exceeded liabilities by $4,972,517 at the close of the most recent fiscal year.

### KENNEDALE ECONOMIC DEVELOPMENT CORPORATION'S NET ASSETS

| | Governmental Activities | |
|---|---|---|
| | 2011 | 2010 |
| Current assets | $ 2,259,206 | $ 2,203,691 |
| Capital assets | 5,535,207 | 4,059,046 |
| Total assets | 7,794,413 | 6,262,737 |
| Current liabilities | 51,896 | 194,063 |
| Noncurrent liabilities | 2,770,000 | 1,105,000 |
| Total liabilities | 2,821,896 | 1,299,063 |
| Net assets: | | |
| Invested in capital assets, net of related debt | 2,765,207 | 2,954,046 |
| Unrestricted | 2,207,310 | 2,009,628 |
| Total net assets | $ 4,972,517 | $ 4,963,674 |

The Corporation's net assets increased by $8,843 during the current fiscal year. This increase is significantly less than the prior year increase due to contributions from the City of Kennedale and is related simply to sales and rent exceeding normal operating expense.

### KENNEDALE ECONOMIC DEVELOPMENT CORPORATION'S CHANGES IN NET ASSETS

| | Governmental Activities | |
|---|---|---|
| | 2011 | 2010 |
| General Revenues: | | |
| Sales tax | $ 418,303 | 467,585 |
| Rental Income | 209,087 | 203,796 |
| Miscellaneous income | 21,916 | 21,065 |
| Contributions from City of Kennedale | - | 2,006,635 |
| Investment earnings | 1,570 | 4,456 |
| Total general revenues | 650,876 | 2,703,537 |
| Expenses: | | |
| Economic development: | | |
| Administration | 410,738 | 427,004 |
| Payment to dity for debt | 154,619 | 26,540 |
| Interest and fiscal charges | 76,676 | 79,149 |
| Total expenses | 642,033 | 532,693 |
| Changes in net assets | 8,843 | 2,170,844 |
| Net assets, beginning | 4,963,674 | 2,792,830 |
| Net assets, ending | $ 4,972,517 | $ 4,963,674 |

**Governmental activities.** The Corporation's general revenues decreased by $2,052,661 or 75.9% from last year. The primary reason for this decrease was the contribution for the City of Kennedale that occurred in the prior year was a one-time contribution. Sales tax revenue decreased by $49,282 or 10.54% to $418,303.

## DISCUSSION OF CURRENTLY KNOWN FACTS, DECISIONS OR CONDITIONS IN FISCAL YEAR 2011

The Kennedale Economic Development Corporation's projects for fiscal year 2011-2012 and beyond include: 1) Completing the development of the City's Town Center District, that's complete with walking trails, a pool fountain, amphitheater, and an overall meeting place for civic events, 2) Establish the City's first Tax Increment Financing District that will be used to finance infrastructure improvements to within the City's major commercial and industrials zones, 3) Work with existing business owners and other advisory boards to implement revisions to the City's ordinances that will enhance business productivity, and 4) Promote, market and sell the KEDC Shopping Center for future development

## REQUESTS FOR INFORMATION

The financial report is designed to provide a general overview of the Kennedale Economic Development Corporation's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Treasurer, Kennedale Economic Development Corporation, 405 Municipal Dr., Kennedale, Texas 76060.

# BASIC
# FINANCIAL STATEMENTS

# KENNEDALE ECONOMIC DEVELOPMENT CORPORATION

## STATEMENT OF NET ASSETS
## AND GOVERNMENTAL FUND BALANCE SHEET

### SEPTEMBER 30, 2011

| | General | Adjustments | Statement of Net Assets |
|---|---|---|---|
| **ASSETS** | | | |
| Cash and investments | $ 2,164,601 | $ - | $ 2,164,601 |
| Sales taxes receivable | 68,735 | - | 68,735 |
| Deferred charges | - | 25,870 | 25,870 |
| Capital assets: | | | |
| Land | - | 985,945 | 985,945 |
| Buildings and improvements | - | 2,305,258 | 2,305,258 |
| Construction in progress | - | 2,556,892 | 2,556,892 |
| Less: accumulated depreciation | - | ( 312,888) | ( 312,888) |
| Total capital assets | - | 5,535,207 | 5,535,207 |
| Total assets | 2,233,336 | 5,561,077 | 7,794,413 |
| **LIABILITIES** | | | |
| Accounts payable | 35,238 | - | 35,238 |
| Customer deposits | 16,658 | - | 16,658 |
| Noncurrent liabilities: | | | |
| Due within one year | - | 120,920 | 120,920 |
| Due in more than one year | - | 2,649,080 | 2,649,080 |
| Total liabilities | 51,896 | 2,770,000 | 2,821,896 |
| **FUND BALANCE/NET ASSETS** | | | |
| Fund balance: | | | |
| Restricted for economic development | 2,181,440 | ( 2,181,440) | - |
| Total fund balance | 2,181,440 | ( 2,181,440) | - |
| Total liabilities and fund balance | $ 2,233,336 | | |
| Net assets: | | | |
| Invested in capital assets, net of related debt | | 2,765,207 | 2,765,207 |
| Restricted for economic development | | 2,207,310 | 2,207,310 |
| Total net assets | | $ 4,972,517 | $ 4,972,517 |

**The accompanying notes are an integral part of these financial statements.**

# KENNEDALE ECONOMIC DEVELOPMENT CORPORATION

## STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

## FOR THE YEAR ENDED SEPTEMBER 30, 2011

| | General | Adjustments | Statement of Activities |
|---|---|---|---|
| Expenditures/expenses: | | | |
| Current: | | | |
| Economic development | $ 1,885,282 | $( 1,474,544) | $ 410,738 |
| Payment to city for debt | 154,619 | - | 154,619 |
| Debt service: | | | |
| Principal | 35,000 | ( 35,000) | - |
| Interest and fiscal charges | 76,676 | - | 76,676 |
| Total expenditures/expenses | 2,151,577 | ( 1,509,544) | 642,033 |
| General revenues: | | | |
| Sales taxes | 418,303 | - | 418,303 |
| Rental income | 209,087 | - | 209,087 |
| Miscellaneous income | 21,916 | - | 21,916 |
| Investment earnings | 1,570 | - | 1,570 |
| Total general revenues | 650,876 | - | 650,876 |
| Excess of revenues over expenditures | ( 1,500,701) | 1,509,544 | 8,843 |
| Other financing sources | 1,700,000 | ( 1,700,000) | - |
| Total other financing sources (uses) | 1,700,000 | ( 1,700,000) | - |
| Net change in fund balance | 199,299 | ( 199,299) | - |
| Change in net assets | - | 8,843 | 8,843 |
| Fund balance/net assets: | | | |
| Beginning | 1,982,141 | 2,981,533 | 4,963,674 |
| Ending | $ 2,181,440 | $ 2,791,077 | $ 4,972,517 |

**The accompanying notes are an integral part of these financial statements.**

# KENNEDALE ECONOMIC DEVELOPMENT CORPORATION

## COMPONENT UNIT - GENERAL FUND

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

## FOR THE YEAR ENDED SEPTEMBER 30, 2011

(With Comparative Actual Amounts for the Year Ended September 30, 2010)

| | 2011 | | | | 2010 |
|---|---|---|---|---|---|
| | Budgeted Amounts | | Actual | Variance with Final Budget Positive | Actual |
| | Original | Final | Amounts | (Negative) | Amounts |
| **REVENUES** | | | | | |
| Sales tax | $ 347,905 | $ 347,905 | $ 418,303 | $ 70,398 | $ 467,585 |
| Rental income | 239,244 | 239,244 | 209,087 | ( 30,157) | 203,796 |
| Miscellaneous income | - | - | 21,916 | 21,916 | 21,065 |
| Contribution from City of Kennedale | - | - | - | - | 2,006,635 |
| Investment earnings | 5,200 | 5,200 | 1,570 | ( 3,630) | 4,456 |
| Total revenues | 592,349 | 592,349 | 650,876 | 58,527 | 2,703,537 |
| **EXPENDITURES** | | | | | |
| Current: | | | | | |
| Economic development | 540,017 | 540,017 | 1,885,282 | ( 1,345,265) | 2,295,139 |
| Payment to city for debt | 154,619 | 154,619 | 154,619 | - | 26,540 |
| Debt Service: | | | | | |
| Principal | 35,000 | 35,000 | 35,000 | - | 35,000 |
| Interest and fiscal charges | 76,798 | 76,798 | 76,676 | 122 | 79,149 |
| Total expenditures | 806,434 | 806,434 | 2,151,577 | ( 1,345,143) | 2,435,828 |
| **EXCESS OF REVENUES OVER EXPENDITURES** | ( 214,085) | ( 214,085) | ( 1,500,701) | ( 1,286,616) | 267,709 |
| **OTHER FINANCING SOURCES** | | | | | |
| Debt issuance | - | - | 1,700,000 | 1,700,000 | - |
| Total other financing sources and (uses) | - | - | 1,700,000 | 1,700,000 | - |
| **NET CHANGE IN FUND BALANCES** | ( 214,085) | ( 214,085) | 199,299 | 413,384 | 267,709 |
| **FUND BALANCES, BEGINNING** | 1,982,141 | 1,982,141 | 1,982,141 | - | 1,714,432 |
| **FUND BALANCES, ENDING** | $ 1,768,056 | $ 1,768,056 | $ 2,181,440 | $ 413,384 | $ 1,982,141 |

**The accompanying notes are an integral part of these financial statements.**

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Kennedale Economic Development Corporation (the "Corporation") have been prepared in conformity with generally accepted accounting principles ("GAAP") for local governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB's jurisdiction includes nonprofit corporations that are in substance part of a governmental unit. The most significant accounting and reporting policies of the Corporation are described in the following notes to the financial statements.

### A. Reporting Entity

The Kennedale Economic Development Corporation (KEDC) was incorporated on December 2, 1996. The Corporation is a nonprofit corporation organized and operating under the laws of the State of Texas, particularly Section 4B of the Development Corporation Act of 1979, as amended and Article 5190.6, Vernon's Texas Civil Statutes, (the "Act"), as amended. The Corporation was created following an election held by the City of Kennedale, Texas (the "City"), on August 10, 1996, to levy 0.5% local sales and use tax in the City for the benefit of the Corporation. The Corporation, as currently organized, is to promote economic development within the City, including, but not limited to, construction, operation and administration, as permitted by Section 4B of the Act, as amended. The Corporation is a discretely presented component unit of the City under the provisions of Governmental Accounting Standards Board Statement No. 14.

As required by generally accepted accounting principles, these financial statements present the Kennedale Economic Development Corporation and do not include any component units, entities for which the Corporation is considered to be financially accountable. The Corporation did not have any entities which meet the component unit criteria. Therefore, the reporting entity is limited to those departments which comprise the Corporation's legally adopted jurisdiction. However, the Corporation is considered to be, and is reported as, a component unit of the City.

### B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the activities of the government. *Governmental activities* are supported by taxes, rent and investment revenue.

**(continued)**

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### B. Government-wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenue. *Direct expenses* are those that are clearly identifiable with a specific function. *Program revenue* includes 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenue are reported instead as *general revenue.*

The government-wide and fund financial statements are provided for the governmental fund of the Corporation with a column for adjustments between the two statements.

### C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting.* Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting.* Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Corporation considers revenues to be available if they are collected within 60 days of the end of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Interest income associated with the current fiscal period is considered to be susceptible to accrual and so has been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Corporation.

The Corporation reports the following major governmental fund:

> The ***General Fund*** is the government's primary operating fund. It accounts for all financial resources of the Corporation. There are no other funds of the Corporation.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

**(continued)**

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### D. Assets, Liabilities and Net Assets or Equity

**Cash and Investments**

The City of Kennedale, Texas, pools substantially all cash and investments except for separate cash and investment accounts which are maintained in accordance with legal restrictions. The Corporation participates in the City's cash and investment pool. Investments are recorded at fair value. Fair value is the amount at which a financial instrument could be exchanged in current transactions between willing parties. Investment income on investments is allocated to the Corporation based upon its pro rata participation in the pool.

## 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

**Budgetary Information**

The Economic Development Board of Directors and the City Council of the City of Kennedale, Texas, follow these procedures in establishing budgets reflected in the financial statements:

1. Prior to the beginning of each fiscal year, the Executive Director submits a proposed budget to the Corporation's Board of Directors for the fiscal year beginning on the following October 1. The operating budget includes proposed expenditures and means of financing them.

2. Public hearings are conducted at which all interested persons' comments concerning the budget are heard.

3. The budget is legally enacted by the Corporation's Board of Directors and ratified by the City Council of the City.

4. The Board of Directors and the City Council must approve any budget amendments. At the end of each fiscal year, all appropriations lapse.

5. Annual budgets adopted for the Economic Development Fund are adopted on a basis consistent with generally accepted accounting principles.

**(continued)**

## 3. DETAIL NOTES

### A. Cash and Investments

The **Public Funds Investment Act** (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the Corporation to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposit. Statutes authorize the Corporation to invest in (1) obligations of the U. S. Treasury, certain U. S. Agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers' acceptances, (7) Mutual Funds, (8) Investment pools, (9) guaranteed investment contracts, and (10) common trust funds. The Act also requires the Corporation to have independent auditors perform test procedures related to investment practices as provided by the Act. The Corporation is in substantial compliance with the requirements of the Act and with local policies

In compliance with the **Public Funds Investment Act**, the Corporation has adopted the deposit and investment policy used by the City of Kennedale. That policy does address the folowing risks:

a. ***Custodial Credit Risk*** - Deposits: In the case of deposits, this is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. As of September 30, 2011, all of the Corporation's deposits were in the TexPool accounts held by the City of Kennedale.

b. ***Credit Risk:*** It is the Corporation's policy to limit investments to investment types with an investment quality rating no lower than AAA or AAA-m or an equivalent rating by at least one nationally recognized rating service or no lower than investment grade by at least one nationally recognized rating service with a weighted average maturity no greater than 90 days. The Corporation's investments were rated AAAm by Standard and Poor's Investors Services.

c. ***Interest Rate Risk:*** In accordance with the Corporation's investment policy, the Corporation manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to 90 days or less, dependent on market conditions.

d. ***Concentration of Credit Risk:*** The Corporation's investment policy states the maximum percentage allowed for each different investment instrument that can be used to make up the portfolio.

**(continued)**

## 3. DETAIL NOTES

### A. Cash and Investments (Continued)

At September 30, 2011, the carrying amounts of the Corporation's investments were as follows:

| | |
|---|---|
| Balances in public funds investment pools: | |
| State Treasurer's Investment Pool (TexPool) | 2,168,311 |
| | $ 2,168,311 |

Balances in public funds investment pools noted above are not evidenced by underlying securities that exist in physical or book entry form and, therefore, are not subject to credit risk categorization.

### B. Risk Management

The City of Kennedale, Texas, carries its general insurance risks with a public entity risk pool by transferring all risks to the insurance carrier except for small deductible amounts.

### C. Employee Plans

The Corporation has no employees. The personnel duties for the Corporation are performed by employees of the City of Kennedale, and the Corporation is charged for expenses related to these duties. For complete "Employee Plan" disclosures, reference is made to the basic financial statements of the City of Kennedale, Texas.

**(continued)**

## 3. DETAIL NOTES

### D. Capital Assets

Capital asset activity for the year ended September 30, 2011, was as follows:

**Primary Government**

| | Beginning Balance | Increases | Decreases | Ending Balance |
|---|---|---|---|---|
| Governmental activities: | | | | |
| Capital assets, not being depreciated: | | | | |
| Land | $ 696,845 | $ 289,100 | $ - | $ 985,945 |
| Construction in progress | 2,008,322 | 1,302,324 | 753,754 | 2,556,892 |
| Total capital assets not being depreciated | 2,705,167 | 1,591,424 | 753,754 | 3,542,837 |
| Capital assets, being depreciated: | | | | |
| Buildings | 1,551,504 | - | - | 1,551,504 |
| Improvements | - | 753,754 | - | 753,754 |
| Total capital assets being depreciated | 1,551,504 | 753,754 | - | 2,305,258 |
| Less accumulated depreciation: | | | | |
| Buildings | 197,625 | 77,575 | - | 275,200 |
| Improvements | - | 37,688 | - | 37,688 |
| Total accumulated depreciation | 197,625 | 115,263 | - | 312,888 |
| Total capital assets, being depreciated, net | 1,353,879 | 638,491 | - | 1,992,370 |
| Governmental activities capital assets, net | $ 4,059,046 | $ 2,229,915 | $ 753,754 | $ 5,535,207 |

### E. Long-term Debt

During fiscal year 2011, a loan was issued for $1,700,000 for the purpose of financing new projects in addition to the revenue bonds issued fiscal year 2007 of $1,200,000 also for the purpose of financing new projects. Revenue bonds and loans outstanding at year end are as follows:

| | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|---|---|---|---|---|---|
| **Government activities** | | | | | |
| Revenue bonds | $ 1,105,000 | $ - | $ 35,000 | $ 1,070,000 | $ 40,000 |
| Texas leverage fund loan | - | 1,700,000 | - | 1,700,000 | 80,920 |
| Governmental activity Long-term liabilities | $ 1,105,000 | $ 1,700,000 | $ 35,000 | $ 2,770,000 | $ 120,920 |

**(continued)**

## 3. DETAIL NOTES

### F. Long-term Debt (Continued)

Annual debt service requirements to maturity for the revenue bonds are as follows:

| Year Ending September 30 | Governmental Activities | |
|---|---|---|
| | Principal | Interest |
| 2012 | $ 120,920 | $ 124,844 |
| 2013 | 132,088 | 122,841 |
| 2014 | 140,126 | 117,024 |
| 2015 | 148,264 | 110,758 |
| 2016 | 151,506 | 104,041 |
| 2017-2021 | 870,020 | 409,682 |
| 2022-2026 | 1,090,131 | 186,904 |
| 2027-2031 | 116,945 | 7,298 |
| Total | $ 2,770,000 | $ 1,183,392 |

KENNEDALE
Kennedale Economic
Development Corporation
www.cityofkennedale.com

# Staff Report to the Board of Directors

**Date:** April 24, 2012

**Agenda Item No:** REGULAR ITEMS - B.

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**I. Subject:**
Review KEDC Financial Report.

**II. Originated by:**

Sakura Moten-Dedrick, Director of Finance & IT

**III. Summary:**

**IV. Recommendation:**
Approve

**V. Alternative Actions:**

**VI. Attachments:**

| | | |
|---|---|---|
| 1. | Feb 2012 EDC Financials | 20120424 EDC Feb 12 Financials.pdf |

***INCOME STATEMENT***

**15: EDC4B FUND**

| INCOME STATEMENT | FY10-11 BUDGET | FY10-11 AMENDED | FY10-11 YTD FEB | FY10-11 ESTIMATE | FY11-12 PROPOSED | FY11-12 AMENDED | FY11-12 YTD FEB | FY11-12 ESTIMATE |
|---|---|---|---|---|---|---|---|---|
| OPERATING REVENUES | 587,149 | 587,149 | 181,413 | 2,334,966 | 1,295,404 | 1,295,404 | 212,443 | 1,318,983 |
| OPERATING EXPENDITURES | (608,509) | (608,509) | (526,879) | (1,180,427) | (2,837,324) | (2,837,324) | (1,668,782) | (2,749,766) |
| **OPERATING INCOME/(LOSS)** | **(21,360)** | **(21,360)** | **(345,466)** | **1,154,539** | **(1,541,920)** | **(1,541,920)** | **(1,456,339)** | **(1,430,783)** |
| NONOPERATING REVENUES/(EXPENSES) | | | | | | | | |
| INTEREST EARNINGS | 4,200 | 4,200 | 120 | 130 | 250 | 250 | 527 | 700 |
| TRANSFERS IN | - | - | - | - | - | - | - | - |
| (TRANSFER OUT) | (154,619) | (154,619) | (39,809) | (154,619) | (153,119) | (153,119) | (39,059) | (153,119) |
| **NET OPERATING INCOME/(LOSS)** | **(171,779)** | **(171,779)** | **(385,155)** | **1,000,050** | **(1,694,788)** | **(1,694,788)** | **(1,494,871)** | **(1,583,201)** |
| **BEGINNING FUND BALANCE** | **$ 583,151** | **$ 583,151** | **$ 583,151** | **$ 583,151** | **$ 1,583,201** | **$ 1,583,201** | **$ 1,583,201** | **$ 1,583,201** |
| **ENDING FUND BALANCE (EXCLUDING OTHER FUNDS)** | **$ 411,372** | **$ 411,372** | **$ 197,996** | **$ 1,583,201** | **$ (111,587)** | **$ (111,587)** | **$ 88,330** | **$ (0)** |
| 95: EDC4B RESERVE FUND | $ 120,137 | $ 120,137 | $ 119,711 | $ 119,766 | $ 120,006 | $ 120,006 | $ 119,802 | $ 120,006 |
| 19: EDC4B CAPITAL BOND FUND | $ 1,017,184 | $ 1,017,184 | $ 869,691 | $ 464,133 | $ 119,383 | $ 119,383 | $ 138,777 | $ 383 |
| **ENDING FUND BALANCE (INCLUDING OTHER FUNDS)** | **$ 1,548,693** | **$ 1,548,693** | **$ 1,187,398** | **$ 2,167,100** | **$ 127,802** | **$ 127,802** | **$ 346,908** | **$ 120,389** |

*FUND SUMMARY BY CATEGORY*

**15: EDC4B FUND**

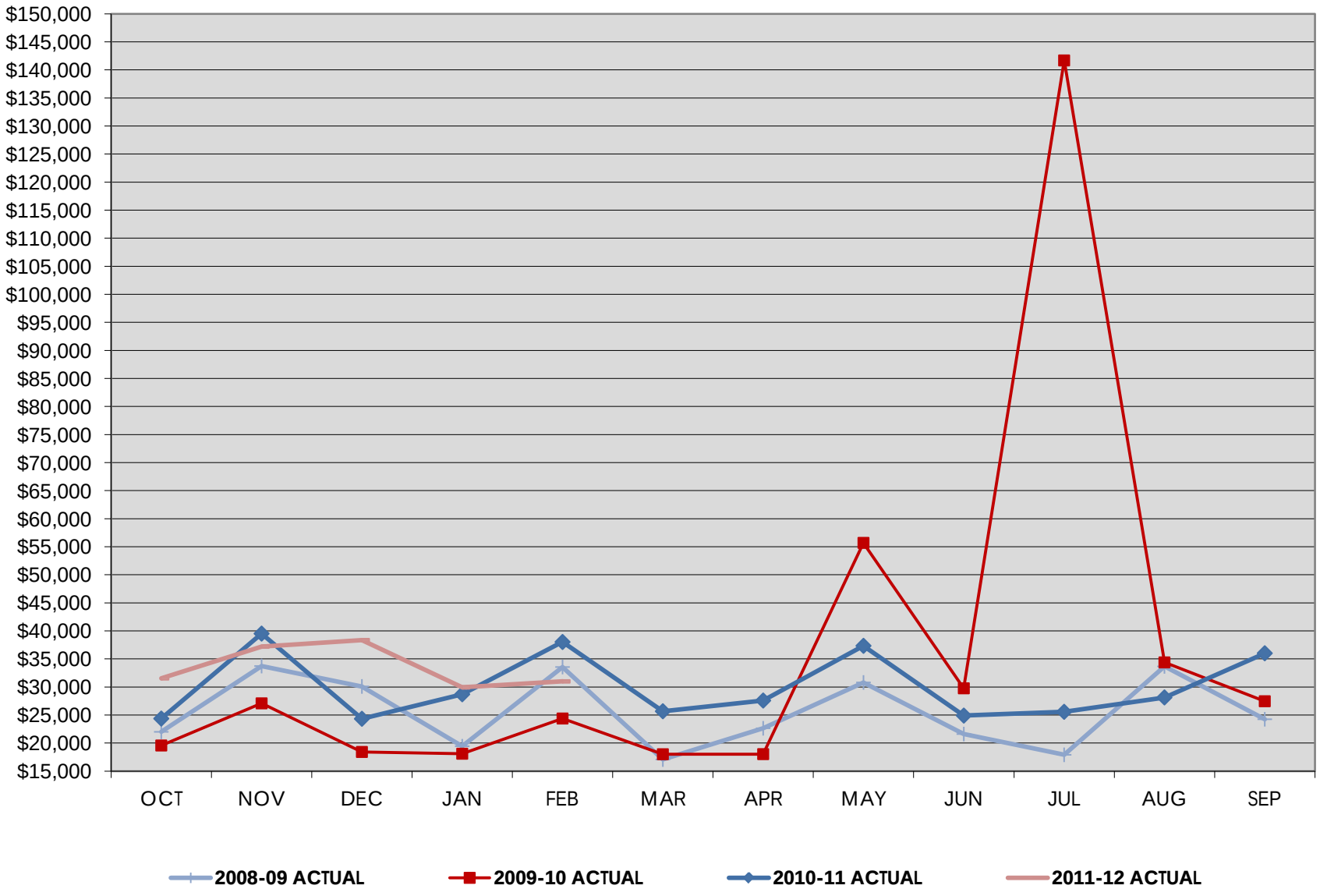
| CATEGORY | FY10-11 BUDGET | FY10-11 AMENDED | FY10-11 YTD FEB | FY10-11 ESTIMATE | FY11-12 PROPOSED | FY11-12 AMENDED | FY11-12 YTD FEB | FY11-12 ESTIMATE | FY10-11 YTD % | FY11-12 YTD % |
|---|---|---|---|---|---|---|---|---|---|---|
| **BEGINNING FUND BALANCE** | **$ 583,151** | **$ 583,151** | **$ 583,151** | **$ 583,151** | **$ 1,583,201** | **$ 1,583,201** | **$ 1,583,201** | **$ 1,583,201** | | |
| AD VALOREM TAXES | 23,467 | 23,467 | 1,560 | 52,138 | 42,466 | 42,466 | 23,970 | 42,466 | 6.6% | 56.4% |
| SALES/BEVERAGE TAXES | 324,438 | 324,438 | 91,540 | 366,165 | 352,666 | 352,666 | 99,759 | 376,245 | 28.2% | 28.3% |
| INVESTMENT EARNINGS | 4,200 | 4,200 | 120 | 130 | 250 | 250 | 527 | 700 | 2.9% | 211.0% |
| MISCELLANEOUS INCOME | - | - | - | 7,577 | 676,000 | 676,000 | - | 676,000 | 0.0% | 0.0% |
| SURPLUS SALES/RENTALS | 239,244 | 239,244 | 88,313 | 209,087 | 224,272 | 224,272 | 88,713 | 224,272 | 36.9% | 39.6% |
| TRANSFERS | $ - | $ - | $ - | $ 1,700,000 | $ - | $ - | $ - | $ - | 0.0% | 0.0% |
| **TOTAL REVENUES** | **$ 591,349** | **$ 591,349** | **$ 181,533** | **$ 2,335,096** | **$ 1,295,654** | **$ 1,295,654** | **$ 212,970** | **$ 1,319,683** | **30.7%** | **16.4%** |
| PERSONNEL | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| SUPPLIES | 31,610 | 31,610 | 1,834 | 22,314 | 21,344 | 21,344 | 12,055 | 60,553 | 5.8% | 56.5% |
| MAINTENANCE | 17,790 | 17,790 | 9,930 | 21,749 | 22,856 | 22,856 | 16,086 | 23,631 | 55.8% | 70.4% |
| SUNDRY | 249,810 | 249,810 | 100,944 | 243,564 | 265,906 | 265,906 | 145,614 | 328,027 | 40.4% | 54.8% |
| DEBT | 111,798 | 111,798 | 52,302 | 125,701 | 313,243 | 313,243 | 1,145,892 | 1,250,315 | 46.8% | 365.8% |
| TRANSFERS | 154,619 | 154,619 | 39,809 | 154,619 | 153,119 | 153,119 | 39,059 | 153,119 | 25.7% | 25.5% |
| CAPITAL | 197,501 | 197,501 | 361,868 | 767,099 | 2,213,975 | 2,213,975 | 349,135 | 1,087,240 | 183.2% | 15.8% |
| **TOTAL EXPENDITURES** | **$ 763,128** | **$ 763,128** | **$ 566,688** | **$ 1,335,046** | **$ 2,990,442** | **$ 2,990,442** | **$ 1,707,841** | **$ 2,902,884** | **74.3%** | **57.1%** |
| REVENUES OVER EXPENDITURES | $ (171,779) | $ (171,779) | $ (385,155) | $ 1,000,050 | $ (1,694,788) | $ (1,694,788) | $ (1,494,871) | $ (1,583,201) | | |
| **ENDING FUND BALANCE** | **$ 411,372** | **$ 411,372** | **$ 197,996** | **$ 1,583,201** | **$ (111,587)** | **$ (111,587)** | **$ 88,330** | **$ (0)** | | |
| ADJUSTMENTS | | | | | | | | | | |
| **FUND BALANCE AS % OF EXP** | **53.9%** | **53.9%** | **34.9%** | **118.6%** | **-3.7%** | **-3.7%** | **5.2%** | **0.0%** | | |
| RESERVE (NO REQUIREMENT) | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | | |
| **RESERVE SURPLUS/(SHORTFALL)** | **$ 411,372** | **$ 411,372** | **$ 197,996** | **$ 1,583,201** | **$ (111,587)** | **$ (111,587)** | **$ 88,330** | **$ (0)** | | |

**15: EDC4B FUND**

| ACCOUNT | ACCOUNT NAME | FY10-11 BUDGET | FY10-11 AMENDED | FY10-11 YTD FEB | FY10-11 ESTIMATE | FY11-12 PROPOSED | FY11-12 AMENDED | FY11-12 YTD FEB | FY11-12 ESTIMATE | FY10-11 YTD % | FY11-12 YTD % |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 4001-00-00 | PROPERTY TAX-CURRENT YEAR | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| 4002-00-00 | MMD TAX-CURRENT YEAR | 23,467 | 23,467 | 1,560 | 52,138 | 42,466 | 42,466 | 23,970 | 42,466 | 6.6% | 56.4% |
| | **AD VALOREM TAXES** | **$ 23,467** | **$ 23,467** | **$ 1,560** | **$ 52,138** | **$ 42,466** | **$ 42,466** | **$ 23,970** | **$ 42,466** | **6.6%** | **56.4%** |
| 4081-00-00 | SALES TAX | 324,438 | 324,438 | 91,540 | 366,165 | 352,666 | 352,666 | 99,759 | 376,245 | 28.2% | 28.3% |
| 4082-00-00 | MIXED BEVERAGE TAX | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| | **SALES/BEVERAGE TAXES** | **$ 324,438** | **$ 324,438** | **$ 91,540** | **$ 366,165** | **$ 352,666** | **$ 352,666** | **$ 99,759** | **$ 376,245** | **28.2%** | **28.3%** |
| 4401-00-00 | INVESTMENT INCOME | 4,200 | 4,200 | 120 | 130 | 250 | 250 | 527 | 700 | 2.9% | 211.0% |
| | **INVESTMENT EARNINGS** | **$ 4,200** | **$ 4,200** | **$ 120** | **$ 130** | **$ 250** | **$ 250** | **$ 527** | **$ 700** | **2.9%** | **211.0%** |
| 4409-00-00 | MISCELLANEOUS INCOME | - | - | - | 7,577 | 676,000 | 676,000 | - | 676,000 | 0.0% | 0.0% |
| 4411-00-00 | TEXAS LEVERAGE FUND PROGRAM | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| 4415-00-00 | INSURANCE REIMBURSEMENT | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| | **MISCELLANEOUS INCOME** | **$ -** | **$ -** | **$ -** | **$ 7,577** | **$ 676,000** | **$ 676,000** | **$ -** | **$ 676,000** | **0.0%** | **0.0%** |
| 4805-00-00 | RENTAL FEES-SHOPPING CENTER | 235,244 | 235,244 | 87,758 | 208,534 | 220,272 | 220,272 | 88,536 | 220,272 | 37.3% | 40.2% |
| 4806-00-00 | RENTAL INSURANCE | 4,000 | 4,000 | 555 | 553 | 4,000 | 4,000 | 177 | 4,000 | 13.9% | 4.4% |
| | **SURPLUS SALES/RENTALS** | **$ 239,244** | **$ 239,244** | **$ 88,313** | **$ 209,087** | **$ 224,272** | **$ 224,272** | **$ 88,713** | **$ 224,272** | **36.9%** | **39.6%** |
| 4902-00-00 | PROCEEDS - DEBT/LOAN ISSUANCE | - | - | - | 1,700,000 | - | - | - | - | 0.0% | 0.0% |
| | **TRANSFERS** | **$ -** | **$ -** | **$ -** | **$1,700,000** | **$ -** | **$ -** | **$ -** | **$ -** | **0.0%** | **0.0%** |
| | **TOTAL REVENUES** | **$ 591,349** | **$ 591,349** | **$ 181,533** | **$2,335,096** | **$ 1,295,654** | **$1,295,654** | **$212,970** | **$ 1,319,683** | **30.7%** | **16.4%** |
| | **TOTAL REVENUES (EXCLUDING INTEREST/TRANSFERS)** | **$ 587,149** | **$ 587,149** | **$ 181,413** | **$ 634,966** | **$ 1,295,404** | **$1,295,404** | **$212,443** | **$ 1,318,983** | | |
| | 10% ADMIN CHARGE-GENERAL FUND | 58,715 | 58,715 | 42,250 | 63,497 | 129,540 | 129,540 | 21,244 | 131,898 | | |

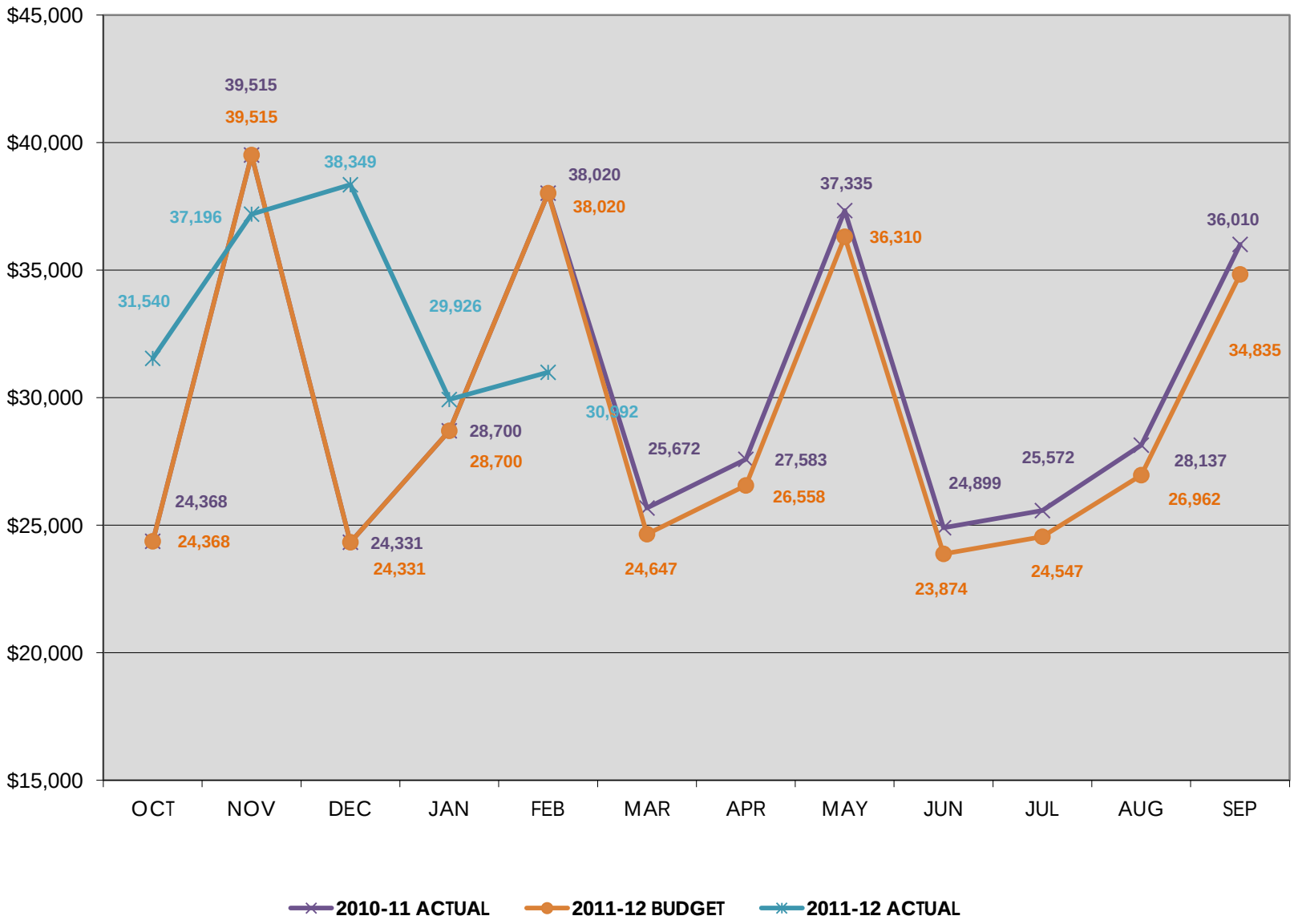
**Economic Development Corporation Sales Tax Revenue**

Three Year History



**Economic Development Corporation Sales Tax Revenue**

FY2010-11 Monthly History



**ECONOMIC DEVELOPMENT CORPORATION 4B**
**SALES TAX - $0.005**

| | 2002-03 ACTUAL | 2003-04 ACTUAL | 2004-05 ACTUAL | 2005-06 ACTUAL | 2006-07 ACTUAL | 2007-08 ACTUAL | 2008-09 ACTUAL | 2009-10 ACTUAL | 2010-11 ACTUAL | 2011-12 BUDGET | 2011-12 ACTUAL | 2011-12 YTD | GAIN/ LOSS | GAIN/ LOSS | YTD CUM | 2011-12 ESTIMATE |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| OCT | 25,015 | 26,737 | 27,574 | 30,493 | 26,719 | 21,880 | 22,001 | 19,568 | 24,368 | 24,368 | 31,540 | 31,540 | 7,172 | 29.4% | 29.4% | 31,540 |
| **NOV** | 34,511 | 33,807 | 28,806 | 33,284 | 41,109 | 30,548 | 33,732 | 27,081 | 39,515 | 39,515 | 37,196 | 68,736 | (2,319) | -5.9% | 7.6% | 37,196 |
| DEC | 23,399 | 26,428 | 23,373 | 24,372 | 23,107 | 23,438 | 30,093 | 18,417 | 24,331 | 24,331 | 38,349 | 107,085 | 14,019 | 57.6% | 21.4% | 38,349 |
| JAN | 23,198 | 21,991 | 22,728 | 23,443 | 26,331 | 22,677 | 19,433 | 18,102 | 28,700 | 28,700 | 29,926 | 137,011 | 1,226 | 4.3% | 17.2% | 29,926 |
| FEB | 32,631 | 35,744 | 33,862 | 35,625 | 29,751 | 29,839 | 33,556 | 24,379 | 38,020 | 38,020 | 30,992 | 168,004 | (7,027) | -18.5% | 8.4% | 30,992 |
| MAR | 23,889 | 22,465 | 21,345 | 24,975 | 16,997 | 21,830 | 17,063 | 18,010 | 25,672 | 24,647 | 24,484 | 192,488 | (162) | -4.6% | 6.6% | 24,484 |
| APR | 20,435 | 23,465 | 21,936 | 24,036 | 25,672 | 24,231 | 22,636 | 18,030 | 27,583 | 26,558 | 37,230 | 229,718 | 10,672 | 35.0% | 10.3% | 37,230 |
| **MAY** | 35,360 | 36,121 | 36,355 | 35,851 | 32,194 | 31,278 | 30,806 | 55,683 | 37,335 | 36,310 | 36,310 | 266,028 | - | -2.7% | 8.4% | 36,310 |
| JUN | 22,968 | 33,889 | 24,011 | 27,616 | 26,993 | 24,985 | 21,608 | 29,762 | 24,899 | 23,874 | 23,874 | 289,902 | - | -4.1% | 7.2% | 23,874 |
| JUL | 25,600 | 25,928 | 25,987 | 24,299 | 27,477 | 30,517 | 17,906 | 141,681 | 25,572 | 24,547 | 24,547 | 314,448 | - | -4.0% | 6.2% | 24,547 |
| **AUG** | 32,378 | 30,767 | 34,222 | 35,983 | 28,340 | 38,499 | 33,664 | 34,381 | 28,137 | 26,962 | 26,962 | 341,411 | - | -4.2% | 5.3% | 26,962 |
| SEP | 26,060 | 25,710 | 22,677 | 27,368 | 30,430 | 23,534 | 24,245 | 27,457 | 36,010 | 34,835 | 34,835 | 376,245 | - | -3.3% | 4.5% | 34,835 |
| | **325,445** | **343,051** | **322,876** | **347,346** | **335,121** | **323,256** | **306,744** | **432,550** | **360,141** | **352,666** | **376,245** | | **23,580** | | | **376,245** |
| | **-2.62%** | **5.41%** | **-5.88%** | **7.58%** | **-3.52%** | **-3.54%** | **-5.11%** | **41.01%** | **-16.74%** | **-2.08%** | **4.47%** | | | | | **4.47%** |

## CYPRESS HISTORY FOR KENNEDALE TOWN SHOPPING CENTER
## FY2011-2012

| ACCOUNT | OCT | NOV | DEC | JAN | FEB | MAR | APR | MAY | JUN | JUL | AUG | SEP | TOTAL |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **INCOME** | | | | | | | | | | | | | |
| Rental Income | $ 17,468.00 | $ 17,468.00 | $ 17,468.00 | $ 17,468.00 | $ 14,668.00 | $ 15,090.92 | $ 15,090.92 | $ - | $ - | $ - | $ - | $ - | **$ 114,721.84** |
| Tax Escrows | $ 3,224.02 | $ 11,399.98 | $ 3,224.02 | $ 3,224.02 | $ 2,898.37 | $ 2,738.95 | $ 2,738.95 | $ - | $ - | $ - | $ - | $ - | **$ 29,448.31** |
| Insurance Escrows | $ 38.37 | $ 38.37 | $ 38.37 | $ 38.37 | $ 23.95 | $ 24.37 | $ 24.37 | $ - | $ - | $ - | $ - | $ - | **$ 226.17** |
| CAM Escrows | $ 814.70 | $ 814.70 | $ 814.70 | $ 814.70 | $ 737.16 | $ 737.16 | $ 737.16 | $ - | $ - | $ - | $ - | $ - | **$ 5,470.28** |
| Security Deposit | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | **$ -** |
| **TOTAL INCOME** | **$ 21,545.09** | **$ 29,721.05** | **$ 21,545.09** | **$ 21,545.09** | **$ 18,327.48** | **$ 18,591.40** | **$ 18,591.40** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ 149,866.60** |
| **EXPENSES** | | | | | | | | | | | | | |
| General & Admin | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | **$ -** |
| Property Mgmt | $ 500.00 | $ 500.00 | $ 500.00 | $ 500.00 | $ 500.00 | $ 500.00 | $ 500.00 | $ - | $ - | $ - | $ - | $ - | **$ 3,500.00** |
| Office Expenses | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | **$ -** |
| Legal Services | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | **$ -** |
| Rental Commissions | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | **$ -** |
| Electricity | $ 329.26 | $ 361.84 | $ 384.35 | $ 458.41 | $ - | $ - | $ 749.37 | $ - | $ - | $ - | $ - | $ - | **$ 2,283.23** |
| Sweeping | $ 326.00 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | **$ 326.00** |
| Porter service | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | **$ -** |
| Landscape | $ 638.28 | $ 638.28 | $ 638.28 | $ 1,442.68 | $ 638.00 | $ 638.28 | $ 638.28 | $ - | $ - | $ - | $ - | $ - | **$ 5,272.08** |
| Fire Sprinkler/Alarm | $ 150.00 | $ - | $ - | $ 150.00 | $ - | $ - | $ 150.00 | $ - | $ - | $ - | $ - | $ - | **$ 450.00** |
| Asphalt | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | **$ -** |
| Landscape Materials | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | **$ -** |
| Maintenance/Construction | $ 3,299.60 | $ 5,132.36 | $ - | $ 1,650.00 | $ 607.58 | $ 1,065.00 | $ 1,714.00 | $ - | $ - | $ - | $ - | $ - | **$ 13,468.54** |
| Roofing Repair | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | **$ -** |
| Signage | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | **$ -** |
| **TOTAL EXPENSES** | **$ 5,243.14** | **$ 6,632.48** | **$ 1,522.63** | **$ 4,201.09** | **$ 1,745.58** | **$ 2,203.28** | **$ 3,751.65** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ 25,299.85** |
| **ADJUSTMENTS** | | | | | | | | | | | | | |
| Operating Balance | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | **$ -** |
| **TOTAL ADJUSTMENTS** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** |
| **NET PROFIT/(LOSS) - CHECK** | **$ 16,301.95** | **$ 23,088.57** | **$ 20,022.46** | **$ 17,344.00** | **$ 16,581.90** | **$ 16,388.12** | **$ 14,839.75** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ 124,566.75** |
| Total Rental Income Posted | $ 18,282.70 | $ 18,282.70 | $ 18,282.70 | $ 18,282.70 | $ 15,405.16 | $ 15,828.08 | $ 15,828.08 | $ - | $ - | $ - | $ - | $ - | **$ 120,192.12** |

## CYPRESS HISTORY FOR KENNEDALE TOWN SHOPPING CENTER
## FY2010-2011

| ACCOUNT | OCT | NOV | DEC | JAN | FEB | MAR | APR | MAY | JUN | JUL | AUG | SEP | TOTAL |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **INCOME** | | | | | | | | | | | | | |
| Rental Income | $ 16,568.00 | $ 16,568.00 | $ 16,568.00 | $ 16,568.00 | $ 16,568.00 | $ 16,568.00 | $ 16,568.00 | $ 16,568.00 | $ 16,568.00 | $ 16,568.00 | $ 17,468.00 | $ 17,468.00 | **$ 200,616.00** |
| Tax Escrows | $ 1,669.00 | $ 1,669.00 | $ 1,669.00 | $ 3,455.24 | $ 12,434.32 | $ 7,544.56 | $ 3,953.93 | $ 3,224.02 | $ 3,224.02 | $ 3,224.02 | $ 3,224.02 | $ 3,224.02 | **$ 48,515.15** |
| Insurance Escrows | $ 142.00 | $ 142.00 | $ 142.00 | $ 90.81 | $ 38.37 | $ 38.37 | $ 38.37 | $ 38.37 | $ 38.37 | $ 687.30 | $ 38.37 | $ 38.37 | **$ 1,472.70** |
| CAM Escrows | $ 1,040.00 | $ 1,040.00 | $ 1,040.00 | $ 983.50 | $ 814.70 | $ 814.70 | $ 814.70 | $ 814.70 | $ 814.70 | $ 814.70 | $ 814.70 | $ 814.70 | **$ 10,621.10** |
| Security Deposit | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | **$ -** |
| **TOTAL INCOME** | **$ 19,419.00** | **$ 19,419.00** | **$ 19,419.00** | **$ 21,097.55** | **$ 29,855.39** | **$ 24,965.63** | **$ 21,375.00** | **$ 20,645.09** | **$ 20,645.09** | **$ 21,294.02** | **$ 21,545.09** | **$ 21,545.09** | **$ 261,224.95** |
| **EXPENSES** | | | | | | | | | | | | | |
| General & Admin | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | **$ -** |
| Property Mgmt | $ 500.00 | $ 500.00 | $ 500.00 | $ 500.00 | $ 500.00 | $ 500.00 | $ 500.00 | $ 500.00 | $ 500.00 | $ 500.00 | $ 500.00 | $ 500.00 | **$ 6,000.00** |
| Office Expenses | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | **$ -** |
| Legal Services | $ - | $ - | $ - | $ - | $ - | $ - | $ 80.00 | $ - | $ - | $ - | $ - | $ - | **$ 80.00** |
| Rental Commissions | $ - | $ - | $ - | $ - | $ - | $ 5,040.00 | $ 5,040.00 | $ - | $ - | $ - | $ - | $ - | **$ 10,080.00** |
| Electricity | $ 35.99 | $ 35.99 | $ 71.98 | $ 35.99 | $ 90.30 | $ 232.48 | $ 294.52 | $ 415.64 | $ 700.26 | $ 625.61 | $ 373.86 | $ 296.64 | **$ 3,209.26** |
| Sweeping | $ 300.00 | $ 300.00 | $ 300.00 | $ 300.00 | $ 300.00 | $ 300.00 | $ - | $ - | $ - | $ - | $ - | $ - | **$ 1,800.00** |
| Porter service | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | **$ -** |
| Landscape | $ 320.00 | $ 320.00 | $ 320.00 | $ 320.00 | $ 870.00 | $ 620.00 | $ 638.28 | $ 638.28 | $ 638.28 | $ 1,618.28 | $ 638.28 | $ 638.28 | **$ 7,579.68** |
| Fire Sprinkler/Alarm | $ 150.00 | $ - | $ - | $ 150.00 | $ - | $ - | $ 150.00 | $ - | $ - | $ 150.00 | $ - | $ - | **$ 600.00** |
| Asphalt | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | **$ -** |
| Landscape Materials | $ - | $ - | $ - | $ - | $ - | $ 2,963.38 | $ - | $ - | $ - | $ - | $ - | $ - | **$ 2,963.38** |
| Maintenance/Construction | $ 75.00 | $ - | $ - | $ 2,725.83 | $ 3,179.04 | $ 2,725.83 | $ - | $ - | $ - | $ - | $ - | $ - | **$ 8,705.70** |
| Roofing Repair | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | **$ -** |
| Signage | $ - | $ - | $ - | $ - | $ - | $ - | $ 100.00 | $ - | $ - | $ - | $ - | $ - | **$ 100.00** |
| **TOTAL EXPENSES** | **$ 1,380.99** | **$ 1,155.99** | **$ 1,191.98** | **$ 4,031.82** | **$ 4,939.34** | **$ 12,381.69** | **$ 6,802.80** | **$ 1,553.92** | **$ 1,838.54** | **$ 2,893.89** | **$ 1,512.14** | **$ 1,434.92** | **$ 41,118.02** |
| **ADJUSTMENTS** | | | | | | | | | | | | | |
| Operating Balance | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | **$ -** |
| **TOTAL ADJUSTMENTS** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** |
| **NET PROFIT/(LOSS) - CHECK** | **$ 18,038.01** | **$ 18,263.01** | **$ 18,227.02** | **$ 17,065.73** | **$ 24,916.05** | **$ 12,583.94** | **$ 14,572.20** | **$ 19,091.17** | **$ 18,806.55** | **$ 18,400.13** | **$ 20,032.95** | **$ 20,110.17** | **$ 220,106.93** |
| Total Rental Income Posted | $ 17,608.00 | $ 17,608.00 | $ 17,608.00 | $ 17,551.50 | $ 17,382.70 | $ 17,382.70 | $ 17,382.70 | $ 17,382.70 | $ 17,382.70 | $ 17,382.70 | $ 18,282.70 | $ 18,282.70 | **$ 211,237.10** |

**15: EDC4B FUND**
**01: ADMINISTRATION**

| ACCOUNT | ACCOUNT NAME | FY10-11 BUDGET | FY10-11 AMENDED | FY10-11 YTD FEB | FY10-11 ESTIMATE | FY11-12 PROPOSED | FY11-12 AMENDED | FY11-12 YTD FEB | FY11-12 ESTIMATE | FY10-11 YTD % | FY11-12 YTD % |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 5101-01-00 | SALARIES | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| 5107-01-00 | OVERTIME | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| 5111-01-00 | AUTO ALLOWANCE | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| 5114-01-00 | LONGEVITY | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| 5115-01-00 | RETIREMENT | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| 5116-01-00 | UNEMPLOYMENT INSURANCE | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| 5117-01-00 | FICA | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| 5118-01-00 | MEDICAL INSURANCE | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| 5120-01-00 | LIFE INSURANCE | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| 5121-01-00 | DENTAL INSURANCE | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| 5122-01-00 | VISION INSURANCE | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| 5190-01-00 | VACATION/SICK/TERM/LEAVE ADJ | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| | **PERSONNEL** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **0.0%** | **0.0%** |
| 5220-01-00 | UNIFORMS | 300 | 300 | - | - | 300 | 300 | - | 300 | 0.0% | 0.0% |
| 5240-01-00 | PRINTED SUPPLIES | 22,000 | 22,000 | 1,822 | 4,466 | 16,544 | 16,544 | 3,816 | 16,544 | 8.3% | 23.1% |
| 5260-01-00 | GENERAL OFFICE SUPPLIES | 250 | 250 | 12 | 12 | 250 | 250 | - | 250 | 4.7% | 0.0% |
| 5261-01-00 | POSTAGE | 500 | 500 | - | 59 | 250 | 250 | 58 | 250 | 0.0% | 23.1% |
| 5280-01-00 | MINOR EQUIP/SMALL TOOLS<$5K | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| 5290-01-00 | EXPENDABLE SUPPLIES | 4,000 | 4,000 | - | 17,778 | 4,000 | 4,000 | 8,181 | 43,209 | 0.0% | 204.5% |
| | **SUPPLIES** | **$ 27,050** | **$ 27,050** | **$ 1,834** | **$ 22,314** | **$ 21,344** | **$ 21,344** | **$ 12,055** | **$ 60,553** | **6.8%** | **56.5%** |
| 5403-01-00 | BUILDING MAINTENANCE | - | - | - | - | - | - | 775 | 775 | 0.0% | #DIV/0! |
| 5440-01-00 | OFFICE EQUIP/SOFTWARE MAINT | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| | **MAINTENANCE** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ 775** | **$ 775** | **0.0%** | **#DIV/0!** |
| 5501-01-00 | ADVERTISING | 5,000 | 5,000 | - | 1,436 | 5,000 | 5,000 | 2,871 | 5,000 | 0.0% | 57.4% |
| 5510-01-00 | ASSOC DUES/PUBLICATIONS | 3,375 | 3,375 | 250 | 2,460 | 2,350 | 2,350 | - | 2,350 | 7.4% | 0.0% |
| 5512-01-00 | CONTRACTUAL SERVICES | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| 5525-01-00 | TRAINING/SEMINARS | 1,000 | 1,000 | - | - | 1,000 | 1,000 | - | 1,000 | 0.0% | 0.0% |
| 5565-01-00 | LEGAL SERVICES | 25,000 | 25,000 | 2,593 | 7,581 | 10,000 | 10,000 | 3,914 | 10,000 | 10.4% | 39.1% |
| 5567-01-00 | AUDIT SERVICES | 1,500 | 1,500 | - | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 0.0% | 100.0% |
| 5569-01-00 | IT SUPPORT | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| 5570-01-00 | SPECIAL SERVICES | 95,420 | 95,420 | 43,754 | 126,611 | 86,036 | 86,036 | 41,532 | 86,036 | 45.9% | 48.3% |
| 5575-01-00 | EQUIPMENT RENTAL | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| 5578-01-00 | TRAVEL | 700 | 700 | - | 22 | 700 | 700 | - | 700 | 0.0% | 0.0% |
| 5580-01-00 | ENGINEERING SERVICES | - | - | - | - | - | - | 60,221 | 60,221 | 0.0% | #DIV/0! |
| 5585-01-00 | TELEPHONE SERVICES | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| 5595-01-00 | ADMIN CHARGE-GENERAL FUND | 58,715 | 58,715 | 24,530 | 69,885 | 129,540 | 129,540 | 21,244 | 129,540 | 41.8% | 16.4% |
| | **SUNDRY** | **$ 190,710** | **$ 190,710** | **$ 71,126** | **$ 209,494** | **$ 236,126** | **$ 236,126** | **$131,282** | **$ 296,347** | **37.3%** | **55.6%** |
| 5610-01-00 | VISUAL GRANT | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| 5615-01-00 | FUNCTIONAL GRANT | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| 5625-01-00 | ISSUANCE COST | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| | **DEBT** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **0.0%** | **0.0%** |
| 5701-01-00 | TRANSFER OUT-GENERAL FUND | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| 5714-01-00 | TRANSFER OUT-DEDICATION FUND | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| 5795-01-00 | TRANSFER OUT-EDC RESERVE FUND | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| | **TRANSFERS** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **0.0%** | **0.0%** |
| 5800-01-00 | LAND | 10,000 | 10,000 | 282 | 293,392 | 325,000 | 325,000 | 100,737 | 202,808 | 2.8% | 31.0% |
| 5813-01-00 | KENNEDALE ENTRANCE SIGN | 45,000 | 45,000 | - | - | 45,000 | 45,000 | - | - | 0.0% | 0.0% |
| 5820-01-00 | BUILDING IMPROVEMENT | 15,000 | 15,000 | - | - | 15,000 | 15,000 | 39,209 | 39,209 | 0.0% | 261.4% |
| 5875-01-00 | CONSTRUCTION | - | - | - | 18,644 | - | - | 85,223 | 85,223 | 0.0% | #DIV/0! |
| | **CAPITAL** | **$ 70,000** | **$ 70,000** | **$ 282** | **$ 312,036** | **$ 385,000** | **$ 385,000** | **$225,168** | **$ 327,240** | **0.4%** | **58.5%** |
| | **TOTAL EXPENDITURES** | **$ 287,760** | **$ 287,760** | **$ 73,243** | **$ 543,844** | **$ 642,470** | **$ 642,470** | **$369,281** | **$ 684,915** | **25.5%** | **57.5%** |

**15: EDC4B FUND**
**01: ADMINISTRATION**
**03: DEBT SERVICE**

| ACCOUNT | ACCOUNT NAME | FY10-11 BUDGET | FY10-11 AMENDED | FY10-11 YTD FEB | FY10-11 ESTIMATE | FY11-12 PROPOSED | FY11-12 AMENDED | FY11-12 YTD FEB | FY11-12 ESTIMATE | FY10-11 YTD % | FY11-12 YTD % |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 5620-01-03 | ISSUANCE COSTS | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| 5621-01-03 | PAYING AGENT FEES | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| 5643-01-03 | 2007 $1.2M TAX BOND-INTEREST | 76,798 | 76,798 | 38,277 | 76,676 | 74,365 | 74,365 | 37,027 | 74,365 | 49.8% | 49.8% |
| 5644-01-03 | 2007 $1.2M TAX BOND-PRINCIPAL | 35,000 | 35,000 | - | 35,000 | 40,000 | 40,000 | - | 40,000 | 0.0% | 0.0% |
| 5645-01-03 | 2011 $1.7M TX LEVERAGE-INT | - | - | - | - | 50,479 | 50,479 | 16,794 | 26,893 | 0.0% | 33.3% |
| 5646-01-03 | 2011 $1.7M TX LEVERAGE-PRI | - | - | - | - | 131,399 | 131,399 | 1,075,070 | 1,092,058 | 0.0% | 818.2% |
| | **DEBT** | **$ 111,798** | **$ 111,798** | **$ 38,277** | **$ 111,676** | **$ 296,243** | **$ 296,243** | **$ 1,128,892** | **$ 1,233,315** | **34.2%** | **381.1%** |
| 5702-01-03 | TRANSFER OUT-DEBT SERVICE FUND | 154,619 | 154,619 | 39,809 | 154,619 | 153,119 | 153,119 | 39,059 | 153,119 | 25.7% | 25.5% |
| | **TRANSFER** | **$ 154,619** | **$ 154,619** | **$ 39,809** | **$ 154,619** | **$ 153,119** | **$ 153,119** | **$ 39,059** | **$ 153,119** | **25.7%** | **25.5%** |
| | **TOTAL EXPENDITURES** | **$ 266,417** | **$ 266,417** | **$ 78,087** | **$ 266,295** | **$ 449,362** | **$ 449,362** | **$ 1,167,951** | **$ 1,386,434** | **29.3%** | **259.9%** |

**15: EDC4B FUND**
**02: TOWN SHOPPING CENTER**

| ACCOUNT | ACCOUNT NAME | FY10-11 BUDGET | FY10-11 AMENDED | FY10-11 YTD FEB | FY10-11 ESTIMATE | FY11-12 PROPOSED | FY11-12 AMENDED | FY11-12 YTD FEB | FY11-12 ESTIMATE | FY10-11 YTD % | FY11-12 YTD % |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 5280-02-00 | MINOR EQUIP/SMALL TOOLS<$5K | 4,560 | 4,560 | - | - | - | - | - | - | 0.0% | 0.0% |
| | **SUPPLIES** | **$ 4,560** | **$ 4,560** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **0.0%** | **0.0%** |
| 5403-02-00 | BUILDING MAINTENANCE | 17,790 | 17,790 | 9,930 | 21,749 | 22,856 | 22,856 | 15,311 | 22,856 | 55.8% | 67.0% |
| | **MAINTENANCE** | **$ 17,790** | **$ 17,790** | **$ 9,930** | **$ 21,749** | **$ 22,856** | **$ 22,856** | **$ 15,311** | **$ 22,856** | **55.8%** | **67.0%** |
| 5501-02-00 | ADVERTISING | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| 5510-02-00 | ASSOC DUES/PUBLICATIONS | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| 5512-02-00 | CONTRACTUAL SERVICES | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| 5530-02-00 | ELECTRIC SERVICES | 7,800 | 7,800 | 270 | 3,209 | 4,200 | 4,200 | 1,534 | 4,200 | 34.4% | 3.5% |
| 5545-02-00 | INSURANCE-PROPERTY | 4,000 | 4,000 | 3,401 | 3,401 | 4,000 | 4,000 | 5,881 | 5,900 | #DIV/0! | 85.0% |
| 5565-02-00 | LEGAL SERVICES | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| 5570-02-00 | SPECIAL SERVICES | 6,000 | 6,000 | 2,500 | 16,160 | 11,580 | 11,580 | 6,917 | 11,580 | 105.6% | 41.7% |
| | **SUNDRY** | **$ 17,800** | **$ 17,800** | **$ 6,171** | **$ 22,770** | **$ 19,780** | **$ 19,780** | **$ 14,332** | **$ 21,680** | **34.7%** | **72.5%** |
| | **TOTAL EXPENDITURES** | **$ 40,150** | **$ 40,150** | **$ 16,101** | **$ 44,519** | **$ 42,636** | **$ 42,636** | **$ 29,643** | **$ 44,536** | **40.1%** | **69.5%** |

**15: EDC4B FUND**
**03: TOWN CENTER REDEVELOPMENT**

| ACCOUNT | ACCOUNT NAME | FY10-11 BUDGET | FY10-11 AMENDED | FY10-11 YTD FEB | FY10-11 ESTIMATE | FY11-12 PROPOSED | FY11-12 AMENDED | FY11-12 YTD FEB | FY11-12 ESTIMATE | FY10-11 YTD % | FY11-12 YTD % |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 5570-03-00 | SPECIAL SERVICES | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| 5579-03-00 | ARCHITECT/DESIGN SERVICES | 26,000 | 26,000 | - | - | - | - | - | - | 0.0% | 0.0% |
| 5580-03-00 | ENGINEERING SERVICES | 15,300 | 15,300 | 23,647 | 11,300 | 10,000 | 10,000 | - | 10,000 | 154.6% | 0.0% |
| | **SUNDRY** | **$ 41,300** | **$ 41,300** | **$ 23,647** | **$ 11,300** | **$ 10,000** | **$ 10,000** | **$ -** | **$ 10,000** | **57.3%** | **0.0%** |
| 5800-03-00 | LAND | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| 5847-03-00 | CONSTRUCTION | 127,501 | 127,501 | 361,586 | 455,063 | 160,000 | 160,000 | 123,967 | 160,000 | 283.6% | 77.5% |
| | **CAPITAL** | **$ 127,501** | **$ 127,501** | **$ 361,586** | **$ 455,063** | **$ 160,000** | **$ 160,000** | **$ 123,967** | **$ 160,000** | **#DIV/0!** | **77.5%** |
| | | **$ 168,801** | **$ 168,801** | **$ 385,233** | **$ 466,363** | **$ 170,000** | **$ 170,000** | **$ 123,967** | **$ 170,000** | **63.9%** | **72.9%** |

**15: EDC4B FUND**
**04: TEXAS LEVERAGE FUND PROGRAM**

| ACCOUNT | ACCOUNT NAME | FY10-11 BUDGET | FY10-11 AMENDED | FY10-11 YTD FEB | FY10-11 ESTIMATE | FY11-12 PROPOSED | FY11-12 AMENDED | FY11-12 YTD FEB | FY11-12 ESTIMATE | FY10-11 YTD % | FY11-12 YTD % |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 5615-04-00 | FUNCTIONAL GRANT | - | - | 14,025 | 14,025 | - | - | - | - | #DIV/0! | 0.0% |
| 5620-04-00 | ISSUANCE COSTS | - | - | - | - | 17,000 | 17,000 | 17,000 | 17,000 | 0.0% | 100.0% |
| | **DEBT** | **$ -** | **$ -** | **$ 14,025** | **$ 14,025** | **$ 17,000** | **$ 17,000** | **$ 17,000** | **$ 17,000** | **#DIV/0!** | **100.0%** |
| 5847-03-00 | CONSTRUCTION | - | - | - | - | 1,668,975 | 1,668,975 | - | 600,000 | 0.0% | 0.0% |
| | **CAPITAL** | **$ -** | **$ -** | **$ -** | **$ -** | **$ 1,668,975** | **$1,668,975** | **$ -** | **$ 600,000** | **0.0%** | **0.0%** |
| | | **$ -** | **$ -** | **$ 14,025** | **$ 14,025** | **$ 1,685,975** | **$1,685,975** | **$ 17,000** | **$ 617,000** | **#DIV/0!** | **1.0%** |

**19: EDC4B CAPITAL BOND FUND**

| CATEGORY | FY10-11 BUDGET | FY10-11 AMENDED | FY10-11 YTD FEB | FY10-11 ESTIMATE | FY11-12 PROPOSED | FY11-12 AMENDED | FY11-12 YTD FEB | FY11-12 ESTIMATE | FY10-11 YTD % | FY11-12 YTD % |
|---|---|---|---|---|---|---|---|---|---|---|
| **BEGINNING FUND BALANCE** | **$ 1,279,351** | **$1,279,351** | **$1,279,351** | **$1,279,351** | **$ 464,133** | **$ 464,133** | **$ 464,133** | **$ 464,133** | | |
| INVESTMENT EARNINGS | 500 | 500 | 905 | 1,310 | 250 | 250 | 143 | 250 | 180.9% | 57.2% |
| TRANSFERS | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| **TOTAL REVENUES** | **$ 500** | **$ 500** | **$ 905** | **$ 1,310** | **$ 250** | **$ 250** | **$ 143** | **$ 250** | **180.9%** | **57.2%** |
| MAINTENANCE | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| SUNDRY | 28,143 | 28,143 | 58,099 | 100,371 | 250,000 | 250,000 | 16,793 | 114,000 | 206.4% | 6.7% |
| CAPITAL | 234,524 | 234,524 | 352,466 | 716,157 | 95,000 | 95,000 | 308,706 | 350,000 | 150.3% | 325.0% |
| **TOTAL EXPENDITURES** | **$ 262,667** | **$ 262,667** | **$ 410,564** | **$ 816,529** | **$ 345,000** | **$ 345,000** | **$ 325,499** | **$ 464,000** | **156.3%** | **94.3%** |
| REVENUES OVER EXPENDITURES | $ (262,167) | $ (262,167) | $ (409,660) | $ (815,218) | $ (344,750) | $ (344,750) | $ (325,356) | $ (463,750) | | |
| **ENDING FUND BALANCE** | **$ 1,017,184** | **$1,017,184** | **$ 869,691** | **$ 464,133** | **$ 119,383** | **$ 119,383** | **$ 138,777** | **$ 383** | | |
| ADJUSTMENTS | | | | | | | | | | |
| **FUND BALANCE AS % OF EXP** | **387.3%** | **387.3%** | **211.8%** | **56.8%** | **34.6%** | **34.6%** | **42.6%** | **0.1%** | | |
| RESERVE (NO REQUIREMENT) | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | | |
| **RESERVE SURPLUS/(SHORTFALL)** | **$ 1,017,184** | **$1,017,184** | **$ 869,691** | **$ 464,133** | **$ 119,383** | **$ 119,383** | **$ 138,777** | **$ 383** | | |

**19: EDC4B CAPITAL BOND FUND**

| ACCOUNT | ACCOUNT NAME | FY10-11 BUDGET | FY10-11 AMENDED | FY10-11 YTD FEB | FY10-11 ESTIMATE | FY11-12 PROPOSED | FY11-12 AMENDED | FY11-12 YTD FEB | FY11-12 ESTIMATE | FY10-11 YTD % | FY11-12 YTD % |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 4401-00-00 | INVESTMENT INCOME | 500 | 500 | 905 | 1,310 | 250 | 250 | 143 | 250 | 180.9% | 57.2% |
| | **INVESTMENT EARNINGS** | **$ 500** | **$ 500** | **$ 905** | **$ 1,310** | **$ 250** | **$ 250** | **$ 143** | **$ 250** | **180.9%** | **57.2%** |
| 4913-00-00 | TRANSFER IN-CAPITAL BOND FUND | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| | **TRANSFERS** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **0.0%** | **0.0%** |
| | **TOTAL REVENUES** | **$ 500** | **$ 500** | **$ 905** | **$ 1,310** | **$ 250** | **$ 250** | **$ 143** | **$ 250** | **180.9%** | **57.2%** |

**19: EDC4B CAPITAL BOND FUND**
**01: TOWN CENTER REDEVELOPMENT**

| ACCOUNT | ACCOUNT NAME | FY10-11 BUDGET | FY10-11 AMENDED | FY10-11 YTD FEB | FY10-11 ESTIMATE | FY11-12 PROPOSED | FY11-12 AMENDED | FY11-12 YTD FEB | FY11-12 ESTIMATE | FY10-11 YTD % | FY11-12 YTD % |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 5403-01-00 | BUILDING MAINTENANCE | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| | **MAINTENANCE** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **0.0%** | **0.0%** |
| 5525-01-00 | TRAINING/SEMINARS | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| 5570-01-00 | SPECIAL SERVICES | - | - | - | 15,400 | 240,000 | 240,000 | 13,750 | 104,000 | 0.0% | 5.7% |
| 5579-01-00 | ARCHITECT/DESIGN SERVICES | - | - | 27,772 | 37,217 | - | - | - | - | #DIV/0! | 0.0% |
| 5580-01-00 | ENGINEERING SERVICES | 28,143 | 28,143 | 30,327 | 47,755 | 10,000 | 10,000 | 3,043 | 10,000 | 107.8% | 30.4% |
| | **SUNDRY** | **$ 28,143** | **$ 28,143** | **$ 58,099** | **$ 100,371** | **$ 250,000** | **$ 250,000** | **$ 16,793** | **$ 114,000** | **206.4%** | **6.7%** |
| 5800-01-00 | LAND | - | - | 6,473 | 7,558 | 25,000 | 25,000 | - | 25,000 | #DIV/0! | 0.0% |
| 5847-01-00 | CONSTRUCTION | 234,524 | 234,524 | 345,993 | 708,600 | 70,000 | 70,000 | 308,706 | 325,000 | 147.5% | 441.0% |
| | **CAPITAL** | **$ 234,524** | **$ 234,524** | **$ 352,466** | **$ 716,157** | **$ 95,000** | **$ 95,000** | **$ 308,706** | **$ 350,000** | **150.3%** | **325.0%** |
| | **TOTAL EXPENDITURES** | **$ 262,667** | **$ 262,667** | **$ 410,564** | **$ 816,529** | **$ 345,000** | **$ 345,000** | **$ 325,499** | **$ 464,000** | **156.3%** | **94.3%** |

**95: EDC4B RESERVE FUND**

| CATEGORY | FY10-11 BUDGET | FY10-11 AMENDED | FY10-11 YTD FEB | FY10-11 ESTIMATE | FY11-12 PROPOSED | FY11-12 AMENDED | FY11-12 YTD FEB | FY11-12 ESTIMATE | FY10-11 YTD % | FY11-12 YTD % |
|---|---|---|---|---|---|---|---|---|---|---|
| **BEGINNING FUND BALANCE** | **$ 119,637** | **$ 119,637** | **$ 119,637** | **$ 119,637** | **$ 119,766** | **$ 119,766** | **$ 119,766** | **$ 119,766** | | |
| INVESTMENT EARNINGS | 500 | 500 | 74 | 129 | 240 | 240 | 35 | 240 | 14.8% | 14.8% |
| TRANSFERS | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| **TOTAL REVENUES** | **$ 500** | **$ 500** | **$ 74** | **$ 129** | **$ 240** | **$ 240** | **$ 35** | **$ 240** | **14.8%** | **14.8%** |
| TRANSFERS | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| **TOTAL EXPENDITURES** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **0.0%** | **0.0%** |
| REVENUES OVER EXPENDITURES | $ 500 | $ 500 | $ 74 | $ 129 | $ 240 | $ 240 | $ 35 | $ 240 | | |
| **ENDING FUND BALANCE** | **$ 120,137** | **$ 120,137** | **$ 119,711** | **$ 119,766** | **$ 120,006** | **$ 120,006** | **$ 119,802** | **$ 120,006** | | |
| ADJUSTMENTS | - | - | - | - | - | - | - | - | | |
| **FUND BALANCE AS % OF EXP** | **N/A** | **N/A** | **N/A** | **N/A** | **N/A** | **N/A** | **N/A** | **N/A** | | |
| RESERVE ($112,606 REQUIREMENT) | $ 112,606 | $ 112,606 | $ 112,606 | $ 112,606 | $ 112,606 | $ 112,606 | $ 112,606 | $ 112,606 | | |
| **RESERVE SURPLUS/(SHORTFALL)** | **$ 7,531** | **$ 7,531** | **$ 7,105** | **$ 7,160** | **$ 7,400** | **$ 7,400** | **$ 7,196** | **$ 7,400** | | |

**95: EDC4B RESERVE FUND**

| ACCOUNT | ACCOUNT NAME | FY10-11 BUDGET | FY10-11 AMENDED | FY10-11 YTD FEB | FY10-11 ESTIMATE | FY11-12 PROPOSED | FY11-12 AMENDED | FY11-12 YTD FEB | FY11-12 ESTIMATE | FY10-11 YTD % | FY11-12 YTD % |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 4401-00-00 | INVESTMENT INCOME | 500 | 500 | 74 | 129 | 240 | 240 | 35 | 240 | 14.8% | 14.8% |
| | **INVESTMENT EARNINGS** | **$ 500** | **$ 500** | **$ 74** | **$ 129** | **$ 240** | **$ 240** | **$ 35** | **$ 240** | **14.8%** | **14.8%** |
| 4915-00-00 | TRANSFER IN-EDC FUND | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| 4920-00-00 | TRANSFER IN | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| | **OTHER AGENCY** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **0.0%** | **0.0%** |
| | **TOTAL REVENUES** | **$ 500** | **$ 500** | **$ 74** | **$ 129** | **$ 240** | **$ 240** | **$ 35** | **$ 240** | **14.8%** | **14.8%** |

**95: EDC4B RESERVE FUND**

| ACCOUNT | ACCOUNT NAME | FY10-11 BUDGET | FY10-11 AMENDED | FY10-11 YTD FEB | FY10-11 ESTIMATE | FY11-12 PROPOSED | FY11-12 AMENDED | FY11-12 YTD FEB | FY11-12 ESTIMATE | FY10-11 YTD % | FY11-12 YTD % |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 5715-00-00 | TRANSFER OUT-EDC FUND | - | - | - | - | - | - | - | - | 0.0% | 0.0% |
| | **TRANSFERS** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **0.0%** | **0.0%** |
| | **TOTAL EXPENDITURES** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **0.0%** | **0.0%** |

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Development Corporation
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# Staff Report to the Board of Directors

**Date:** April 24, 2012

**Agenda Item No:** REGULAR ITEMS - C.

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**I. Subject:**
Tax Increment Financing presentation.

**II. Originated by:**

**III. Summary:**
Bob Hart will present information on this topic.

**IV. Recommendation:**

**V. Alternative Actions:**

**VI. Attachments:**

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# Staff Report to the Board of Directors

**Date:** April 24, 2012

**Agenda Item No:** EXECUTIVE SESSION - A.

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**I. Subject:**
The Economic Development Corporation will meet in closed session pursuant to Section 551.072 of the Texas Government Code to deliberate the purchase, sale, exchange, lease, or value of real property.

1. Sale of property at 1000 E Kennedale Parkway to Speed FabCrete
2. Purchase of property at 5428 Kennedale Parkway
3. Consider a partnership for hotel development
4. Discuss partner recruitment for Bloxom Park development

**II. Originated by:**

**III. Summary:**
Bob Hart will present information.

**IV. Recommendation:**

**V. Alternative Actions:**

**VI. Attachments:**

| | | |
|---|---|---|
| 1. | Nacho TIre | nacho.pdf |

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# Staff Report to the Board of Directors

**Date:** April 24, 2012

**Agenda Item No:** EXECUTIVE SESSION - B.

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**I. Subject:**
The Economic Development Corporation will meet in closed session pursuant to Section 551.087 of the Texas Government Code to deliberate the offer of a financial or other incentive to a business project with which the city is conducting economic development negotiations.

1. Review Texas Leverage Fund loan use request by Ross Karbosi
2. Discuss incentives for the Fowler Group

**II. Originated by:**

**III. Summary:**
Bob Hart will present information.

**IV. Recommendation:**

**V. Alternative Actions:**

**VI. Attachments:**