



**TO BE CONSIDERED BY THE EIC BOARD
CITY OF KERRVILLE, TEXAS**

SUBJECT: EIC Monthly Financial Statements for the month ended September 30, 2018

AGENDA DATE OF: 10/29/2018

DATE SUBMITTED: 10/25/2018

SUBMITTED BY: Amy Dozier, CFO

EXHIBITS: Financial Reports

| Expenditure Required: | Current Balance in Account: | Amount Budgeted: | Account Number: |
|----------------------------------|--|-------------------------|------------------------|
| n/a | n/a | n/a | n/a |

PAYMENT TO BE MADE TO: Click or tap here to enter text.

Kerrville 2050 Item?

Yes: ☐

No: ☒

Key Priority Area

Choose an item.

Guiding Principle

Choose an item.

Action Item

N/A

SUMMARY STATEMENT:

The EIC operating fund received sales tax revenue of \$281,969 in September 2018. On a cash basis, this is an increase of 6.4% compared to September of 2017 due primarily to a 5.5% increase in retail trade and a large increase in public administration, due to a timing difference in KPUB's payment.

September's sales tax revenue also includes a year-end accrual for financial reporting purposes of \$16,750.

Interest income for the month was \$7,106. EIC's money is primarily invested in TexPool, which is earning 2.20% as of September 30, 2018. Interest income exceeded budget for the year due to rising rates and higher than anticipated cash balances.

Expenditures for the month were \$101,169, which included budgeted transfers for debt service and the administrative service fee.

RECOMMENDED ACTION:

Information only; no action required.

**ECONOMIC IMPROVEMENT CORPORATION
STATEMENT OF ACTIVITIES
FOR THE MONTH ENDED SEPTEMBER 30, 2018**

| | Annual Budget | Current Period | Y-T-D Actual | % of Budget | Budget Balance |
|---|-----------------------|---------------------|-----------------------|----------------|-------------------|
| BEGINNING CASH BALANCE | \$2,272,941 | | \$2,272,941 | | |
| REVENUES | | | | | |
| Sales and Use Tax | 3,476,206 | 298,719 | 3,459,675 | 99.5% | (16,531) |
| Interest Income | 15,000 | 7,106 | 76,846 | 512.3% | 61,846 |
| Fox Tank Agreement Reimbursement | - | - | 10,000 | | 10,000 |
| TOTAL REVENUES | 3,491,206 | 305,825 | 3,546,521 | 101.6% | 55,315 |
| EXPENDITURES | | | | | |
| Administrative | | | | | |
| Office Supplies | 500 | - | 80 | 16.0% | 420 |
| Administrative Services Fee | 100,000 | 8,333 | 100,000 | 100.0% | - |
| Legal Services | - | - | 416 | | (416) |
| Filing Fees | - | - | 25 | | (25) |
| Kerr Economic Development Corp | 140,000 | - | 140,000 | 100.0% | - |
| Total Administrative | 240,500 | 8,333 | 240,521 | 100.0% | (21) |
| Category I - Business Development | | | | | |
| ED Set Aside | 500,000 | 500,000 | 500,000 | 100.0% | - |
| Total Category I | 500,000 | 500,000 | 500,000 | 100.0% | - |
| Category II - Quality of Life | | | | | |
| Tennis Center | 750,000 | - | 750,000 | 100.0% | - |
| Downtown Streetscape Enhancements | 200,000 | - | 200,000 | 100.0% | - |
| Debt Service - Series 2011A (River Trail) | 259,890 | 21,696 | 259,890 | 100.0% | - |
| Debt Service - Series 2012 (River Trail) | 253,413 | 20,861 | 253,413 | 100.0% | - |
| Debt Service - Series 2015 (Sports Complex) | 605,350 | 50,279 | 605,350 | 100.0% | - |
| Total Category II | 2,068,653 | 92,836 | 2,068,653 | 100.0% | - |
| Category III - Public Infrastructure | | | | | |
| Housing | 250,000 | - | 250,000 | 100.0% | - |
| Reuse Distribution Lines | 1,500,000 | - | 1,500,000 | 100.0% | - |
| Debt Service - Legion Lift Station | 200,000 | - | - | 0.0% | 200,000 |
| Total Category III | 1,950,000 | - | 1,750,000 | 89.7% | 200,000 |
| TOTAL EXPENDITURES | 4,759,153 | 601,169 | 4,559,174 | 95.8% | 199,979 |
| CHANGE IN NET POSITION | \$ (1,267,946) | \$ (295,344) | \$ (1,012,653) | | |
| ENDING CASH BALANCE | \$ 1,004,994 | | \$1,242,648 | | |

Sales Tax Revenue Analysis - FY2018

| Month | Actual FY2016 | Actual FY2017 | Budget FY2018 | Actual FY2018 | FY2017 vs. FY2018 | Budget vs. Actual |
|-----------|------------------|------------------|------------------|------------------|-------------------------|-------------------------|
| October | \$ 227,707 | \$ 264,806 | \$ 274,944 | \$ 277,430 | 4.77% | 0.90% |
| November | 277,653 | 278,707 | 289,377 | 278,698 | 0.00% | -3.69% |
| December | 254,834 | 260,757 | 270,741 | 252,047 | -3.34% | -6.90% |
| January | 255,848 | 273,741 | 284,222 | 273,590 | -0.06% | -3.74% |
| February | 347,778 | 357,098 | 370,772 | 354,753 | -0.66% | -4.32% |
| March | 223,790 | 248,560 | 258,077 | 242,127 | -2.59% | -6.18% |
| April | 237,432 | 240,783 | 250,002 | 241,702 | 0.38% | -3.32% |
| May | 307,046 | 308,696 | 320,513 | 324,560 | 5.14% | 1.26% |
| June | 243,070 | 261,944 | 271,971 | 286,255 | 9.28% | 5.25% |
| July | 249,278 | 282,792 | 293,618 | 306,165 | 8.27% | 4.27% |
| August | 290,011 | 306,807 | 318,553 | 323,628 | 5.48% | 1.59% |
| September | 301,250 | 275,901 | 273,418 | 298,719 | 8.27% | 9.25% |
| YTD Total | \$ 3,215,695 | \$ 3,360,592 | \$ 3,476,206 | \$ 3,459,675 | 2.95% | -0.48% |

Cash and Investment Balances by Fund

| Fund | Fund Name | Balance | Period Ending |
|------|---|---------------------|---------------|
| 40 | Sales Tax Improvement Fund (operating fund) | \$ 1,242,648 | 9/30/2018 |
| 75 | EIC Projects Fund | 2,850,000 | 9/30/2018 |
| | Total Cash and Investments | \$ 4,092,648 | 9/30/2018 |

Cash and Investments by Type - Placement - Amount

| Type | Investment Placement | Amount | Period Ending |
|-----------------------|-----------------------------------|---------------------|---------------|
| Cash | Wells Fargo Checking | \$ 10,000 | 9/30/2018 |
| Short Term Investment | EIC TexPool | 4,082,648 | 9/30/2018 |
| | Total Cash and Investments | \$ 4,092,648 | 9/30/2018 |

Project Funding

| Project Inception | Project Description | Budget | Funding Transferred to Project | Funding Transferred to EIC Project Fund |
|-------------------|----------------------|---------------------|--------------------------------|---|
| 2012-13 | Downtown Streetscape | \$ 765,100 | \$ 765,100 | \$ - |
| 2014-15 | ED Set Aside | 2,000,000 | - | 2,000,000 |
| 2015-16 | Olympic Pool | 100,000 | 100,000 | - |
| 2015-16 | Housing | 850,000 | - | 850,000 |
| 2016-17 | Tennis Center | 1,500,000 | 1,500,000 | - |
| 2016-17 | Distribution Lines | 3,000,000 | 3,000,000 | - |
| TOTALS | | \$ 7,265,100 | \$ 5,365,100 | \$ 2,850,000 |

Project Summary

| Project | Project Budget | EIC | General Fund | Water and Sewer Fund | Other Funds/Loans/Grants | Bond Proceeds | Project Expense To Date | Project Balance |
|--------------------------|----------------|-------------|--------------|----------------------|--------------------------|---------------|-------------------------|-----------------|
| River Trail | \$6,525,000 | \$6,000,000 | \$ - | \$ - | \$ - | \$ 525,000 | \$6,289,974 | \$ 235,026 |
| Louise Hays Park | 2,677,382 | 2,600,000 | 18,785 | - | 58,597 | - | 2,641,207 | 36,175 |
| Downtown Streetscape | 765,100 | 765,100 | - | - | - | - | 47,968 | 717,132 |
| Kerrville Sports Complex | 10,732,830 | 9,000,000 | - | - | 2,099,171 | 8,910,000 | 10,570,453 | 162,377 |
| Olympic Pool | 100,000 | 100,000 | - | - | - | - | 95 | 99,906 |
| Reuse System | 21,803,000 | 3,000,000 | - | 4,235,421 | 7,731,625 | 8,035,954 | 20,668,467 | 1,134,533 |
| Tennis Center | 1,500,000 | 1,500,000 | - | - | - | - | 129,924 | 1,370,076 |

Agenda Item:

3B. Projects update:

River Trail

Reuse Distribution Lines

Tennis Center Improvements

Aquatics Feasibility Study

Downtown Parking Garage Streetscape

Legion Lift Station

There is no agenda bill for this item.

**TO BE CONSIDERED BY THE
ECONOMIC IMPROVEMENT CORPORATION,
CITY OF KERRVILLE, TEXAS**

SUBJECT: Rescheduling the regular November EIC meeting from Monday, November 19th to an alternative date.

FOR AGENDA OF: October 29, 2018 **DATE SUBMITTED:** October 26, 2018

SUBMITTED BY: E.A. Hoppe
Deputy City Manager

EXHIBITS:

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER:

| Expenditure Required: | Current Balance in Account: | Amount Budgeted: | Account Number: |
|----------------------------------|--|-----------------------------|----------------------------|
|----------------------------------|--|-----------------------------|----------------------------|

PAYMENT TO BE MADE TO:

REVIEWED BY THE DIRECTOR OF FINANCE:

SUMMARY STATEMENT

The regular 3rd-Monday EIC meeting in November falls on Monday, November 19th, during the week of the Thanksgiving holiday. Due to staff vacations and potential EIC absences, we would like to explore an alternative date to hold the meeting. Staff recommends Monday, November 26th or Monday, December 3rd.

RECOMMENDED ACTION

City staff recommends setting an alternative date for the regular 3rd-Monday EIC meeting in November, with Monday, November 26th or Monday, December 3rd as two possibilities.