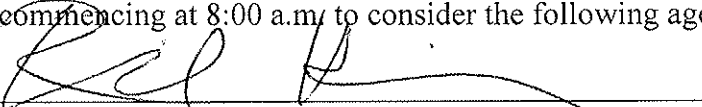


**PUBLIC NOTICE**

DEVELOPMENT CORPORATION OF ABILENE, INC.

A special-called meeting of the Development Corporation of Abilene, Inc. will be held on Tuesday, December 23, 2008, in the Develop Abilene conference room, 174 Cypress St., Abilene, Texas, 3rd floor, commencing at 8:00 a.m. to consider the following agenda:

SIGNED:

  
Richard Burdine, Asst. City Manager for Economic Development

**AGENDA**

December 23, 2008  
8:00 a.m.

Develop Abilene Conference Room  
174 Cypress St., 3rd floor

1. Call the meeting to order.
2. Approval of minutes from November 11, 2008 and December 9, 2008 meetings.
3. Review of preliminary Status of Funds reports for September and October 2008.
4. Discussion and possible approval of a resolution authorizing assistance for Project BG.
5. Discussion and possible approval of Addendum C to the Lease Agreement with Affiliated Food Stores, Inc. for the property at 4109 Vine St., Abilene, Texas.
6. Executive Session: Pursuant to Tex. Gov't Code Sec. 551.087, an executive session may be held (1) to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1). After discussion in executive session, any action or vote will be taken in public.

Pursuant to Tex. Gov't Code Sec. 551.072, an executive session may be held to discuss the possible exchange, lease, or value of real property associated with a project to be funded by the DCOA since deliberation in open session would have a detrimental effect on the DCOA's negotiations with a third party. After discussion in executive session, any action or vote will be taken in public.

Pursuant to Tex. Gov't Code Sec. 551.071, an executive session may be held to consult with the DCOA attorney regarding pending or contemplated litigation or a settlement

offer regarding DCOA funded projects or on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter 551 of the Government Code. After discussion of the contemplated legal matters in executive session, any action or vote will be taken in public.

7. Adjournment.

**CERTIFICATE**

I hereby certify that the above notice of meeting was posted on the bulletin board at the City Hall of Abilene, Texas, on the \_\_\_\_\_ day of \_\_\_\_\_, 2008, at  
\_\_\_\_\_.

\_\_\_\_\_  
City Secretary

**NOTICE**

Persons with disabilities who would like special assistance or need special accommodations to participate in this meeting should contact Department of Economic Development, (325) 676-6390, at least forty-eight (48) hours in advance of this meeting. Telecommunication device for the deaf is (325) 676-6360.

**DEVELOPMENT CORPORATION OF ABILENE, INC.**  
**BOARD MEETING MINUTES**  
**NOVEMBER 11, 2008**

<b>MEMBERS PRESENT:</b>	Joe Crawford Marelyn Shedd Paul Cannon	Mike Schweikhard Dee Moore
<b>STAFF PRESENT:</b>	Richard Burdine Don Green	Kim Tarrant Melissa Murphy
<b>GUESTS PRESENT:</b>	Gary Robinett Judy Wilhelm Cindy Bankhill Jared Fields Charlotte Speegle Tim Crowe Brittany Pelletz Bryan K Cam Tran	Abilene Industrial Foundation SBDC BOSI Abilene Reporter-News CJC Crowe Group KRBC TV KTXS TV KTXS TV

- 1. CALL TO ORDER.** Joe Crawford called the meeting to order at 1:30 p.m. in the Develop Abilene conference room located at 174 Cypress, 3rd floor, Abilene, TX.
- 2. APPROVAL OF MINUTES FROM OCTOBER 28, 2008 MEETING.** Mike Schweikhard made a motion to approve the minutes from the October 28, 2008 meeting. Dee Moore seconded and the motion carried.
- 3. PRESENTATION OF ANNUAL REPORTS FOR FISCAL YEAR ENDED SEPT. 30, 2008 BY THE ABILENE INDUSTRIAL FOUNDATION, TTU SMALL BUSINESS DEVELOPMENT CENTER AND CITY OF ABILENE AIRPORT BUSINESS DEVELOPMENT.** Gary Robinett presented the FY08 report from the Abilene Industrial Foundation (AIF). Of the \$140,000 marketing budget, about \$102,000 was spent. The main reason more of these funds were not spent is because the AIF did not host their annual Dove Hunt this year. Of the 88 leads received, 52 were responded to. Seven prospect files were opened. The AIF made 99 retention visits and 73 consultant visits. The AIF focused significantly on advertising and promotion for the new SPEC 3 building. Other activities included participation in several wind energy trade shows, economic development conferences and the third annual Air House BBQ in Washington, D.C. The AIF also made several local presentations to civic groups.

Judy Wilhelm presented the FY08 report from the Texas Tech University Small Business Development Center (SBDC). Of the 856 clients the SBDC served in FY08, 354 were new clients and 502 were returning clients. The SBDC helped clients open 76 new businesses and helped create 343 jobs. Capital formation totaled nearly \$16 million. All of these categories increased over FY07 and FY06.

Melissa Murphy presented the report from the City of Abilene Airport Business Development. They made several presentations to civic groups in Abilene and in surrounding cities throughout the year, taking advantage of the opportunity to promote

the advantages of flying from Abilene versus driving to another airport. A new marketing campaign was started in November 2007 which aired on local television and radio stations. They have sponsored several events in an effort to connect with the community. The website has been updated and now offers a fare watcher which constantly features real-time discount fares from Abilene to various destinations. And in January 2009 they anticipate implementation of the new ABI VIP passenger rewards program. Rewards are donated by local businesses and will be mailed to passengers after flying out of Abilene Regional Airport twice. Enplanements were down slightly in FY08 (93,267) versus 94,773 in FY07.

- 4. PRESENTATION AND POSSIBLE APPROVAL OF THE DCOA ANNUAL REPORT OF ACTIVITIES FOR FY 2008.** Richard Burdine presented the report. He reviewed the Summary of Projects for FY08 which focused on three main areas: biotech, wind energy and computer science/software engineering. These are all areas that bring new job opportunities to Abilene and the region. All of these have had to do some recruiting outside of Abilene.

Items of interest include the Spec 3 shell building which should be finished either by the end of 2008 or early in 2009. It was also noted that the \$213,960 approved by the DCOA Board to install/extend Venture Drive in conjunction with the expansion of Spec 2 was never expended and it was later discovered not to be necessary. It appears that Rose Builders was able to complete this project on time and at about \$350,000 under budget for the PWP expansion.

Dee Moore moved to approve said report by oral resolution as presented. The motion was seconded by Marelyn Shedd and it carried.

- 5. EXECUTIVE SESSION.** I hereby announce we are going into Executive Session pursuant to Texas Government Code Sections 551.071, .072, and .087 to consult with our legal counsel, discuss real property transactions, and discuss economic development negotiations involving a business prospect, as set forth on the agenda. Any vote or action will be taken in open session.

President Joe Crawford announced the date is November 11, 2008 and the time is 2:03 p.m. Mr. Crawford then announced the date is still November 11, 2008 and the time is 3:02 p.m. No vote or action was taken in Executive Session.

- 6. DISCUSSION & POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING A CONSTRUCTION CONTRACT AND FUNDING FOR CONSTRUCTION OF THE LIFE SCIENCES ACCELERATOR.** Staff received and opened proposals from four companies to construct the accelerator. Bids ranged from a high of \$5.6 million to a low of \$5.1 million. Jeff Luther Construction was the apparent low bidder. Time estimates ranged between 270 and 390 days. Staff has been working with the National Development Council on being able to leverage the DCOA's investment with New Markets Tax Credits, which is a federal tax credit program.

Staff recommends the board authorize the CEO to negotiate a contract with Jeff Luther Construction for construction of the Life Sciences Accelerator for an amount not to exceed \$5,345,000 including contingency.

Mike Schweikhard moved to approve Resolution No. DCOA-2009.06 as presented. The motion was seconded by Marelyn Shedd and it passed by unanimous consent.

- 7. DISCUSSION & POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING ASSISTANCE FOR GLOBAL ENERGY SOLUTIONS (GES) FOR WIND TECHNICIAN TRAINING.** Global Energy Solutions (GES) is an independent, multivendor, worldwide service provider for the energy sector. GES currently operates in more than 17 countries and has experienced difficulty finding specific training for wind farm maintenance. GES USA was established in 2006 and has grown to more than 200 employees, maintaining its headquarters in Pennsylvania. The wind industry is growing so rapidly that there is an increasing demand for skilled operators/technicians.

GES USA proposes a basic training program which emphasizes safety, mechanical and electrical. GES USA applied for and received a Workforce Investment Fund (WIF) grant in the amount of \$25,000 to conduct two Front Door Wind Tech Pilot training courses through TSTC, CJC and the Workforce Center. The training will be similar in format to the successful Fast Track Welding training.

Staff recommends the DCOA authorize a total of \$50,000 as follows: \$25,000 to help defray costs including advertising and marketing for sessions 1 and 2, and another \$25,000 for sessions 3 and 4 – contingent on GES USA receiving another WIF grant of \$25,000. GES USA plans to hire 30 of the 60 trained individuals. The remaining will be referred to other companies in the industry through the Workforce Center.

Paul Cannon made a motion to approve Resolution No. DCOA-2009.07 as presented. Dee Moore seconded and the motion carried.

- 8. DISCUSSION & POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING FUNDING TO EXTEND UNDERGROUND ELECTRICAL UTILITY FACILITIES IN THE FIVE POINTS BUSINESS PARK IN ORDER TO PROVIDE LOOPED SERVICE.** The Five Points Business Park (“Park”) is currently served by the electrical substation located at the north end of the Park on Marigold St. Last summer AEP had a difficult time coordinating with PWP Industries to install a new junction box and transformer for Spec 3 because PWP had to shut down completely. By extending electrical service from another substation into the Park, electrical services could be restored via a manual switch in the case of a power outage at the current substation. This would also allow AEP to isolate and de-energize sections of underground line in the Park to add more junction boxes and transformers as the Park develops and perform scheduled maintenance without service interruption.

Staff recommends the DCOA authorize funding in the amount of \$115,000 to extend the existing underground 12470 volt electrical system from the last junction box near Spec 3

south to the overhead electrical line which parallels the Union Pacific railroad. This will tie a circuit from the current substation on Marigold St. to a circuit out of the Elm Creek substation near McCoy's Lumber. DCOA funding would consist of contribution-in-aid-to-construction paid to AEP, conduit, junction boxes, ditching, boring and backfill.

Dee Moore moved to approve Resolution No. DCOA-2009.05 as presented. Paul Cannon seconded the motion and it passed by unanimous consent.

9. **ADJOURNMENT.** The next meeting will be December 23, 2008. There being no further business, the meeting was adjourned.

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Joe Crawford, President

**DEVELOPMENT CORPORATION OF ABILENE, INC.  
SPECIAL-CALLED BOARD MEETING MINUTES  
DECEMBER 9, 2008**

**MEMBERS PRESENT:** Joe Crawford Mike Schweikhard  
Marelyn Shedd Paul Cannon

**MEMBER ABSENT:** Dee Moore

**STAFF PRESENT:** Richard Burdine Kim Tarrant  
Daniel Santee Stanley Smith

**GUESTS PRESENT:** Bill Ehrie Abilene Industrial Foundation

1. **CALL TO ORDER.** Joe Crawford called the meeting to order at 7:35 a.m. in the Develop Abilene conference room located at 174 Cypress, 3rd floor, Abilene, TX.
2. **EXECUTIVE SESSION.** I hereby announce we are going into Executive Session pursuant to Texas Government Code Sections 551.071, .072, and .087 to consult with our legal counsel, discuss real property transactions, and discuss economic development negotiations involving a business prospect, as set forth on the agenda. Any vote or action will be taken in open session.

President Joe Crawford announced the date is December 9, 2008 and the time is 7:36 a.m. Mr. Crawford then announced the date is still December 9, 2008 and the time is 7:50 a.m. No vote or action was taken in Executive Session.

3. **ADJOURNMENT.** The next meeting will be December 23, 2008. There being no further business, the meeting was adjourned.

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Joe Crawford, President

**MEMORANDUM**

December 10, 2008

**TO:** Larry D. Gilley, City Manager  
Evalin E. McClain, Assistant City Manager

**FROM:** Mindy Patterson, Director of Finance

**SUBJECT:** December Sales Tax

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The sales tax rebate for December is \$2,829,355.46, which represents October sales. This is 9.71% above last year. The breakdown of the December rebate is \$2,122,016.60 to the General Fund and \$707,338.86 for economic development. Of this rebate, \$218,963 is from prior periods, audit payments, future payments, and unidentified payments. Based on this rebate, sales tax is 10.48% above last year for the period of October through December. I have requested the detail from the state.

Should you have any questions, please contact me.

MP:ls

cc: Richard Burdine, Assistant City Manager  
David Vela, Assistant City Manager



**CITY OF ABILENE  
SALES TAX COMPARISON**

Accounting Period Month	GENERAL FUND	ECONOMIC DEVELOPMENT	TOTAL	GENERAL FUND	ECONOMIC DEVELOPMENT	TOTAL
	Actual 2007-08	Actual 2007-08		Actual 2008-09	Actual 2008-09	
October	\$2,029,217.53	\$676,405.84	\$2,705,623.37	\$2,110,326.56	\$703,442.19	\$2,813,768.75
November	2,293,733.19	764,577.73	3,058,310.92	2,680,326.85	893,442.28	3,573,769.13
December	1,934,180.44	644,726.81	2,578,907.25	2,122,016.60	707,338.86	2,829,355.46
YTD	<u>\$6,257,131.16</u>	<u>\$2,085,710.38</u>	<u>\$8,342,841.54</u>	<u>\$6,912,670.01</u>	<u>\$2,304,223.33</u>	<u>\$9,216,893.34</u>
January	1,880,105.59	626,701.86	2,506,807.45			
February	2,932,831.13	977,610.37	3,910,441.50			
March	1,798,311.71	599,437.23	2,397,748.94			
April	1,794,413.90	598,137.96	2,392,551.86			
May	2,472,581.86	824,193.95	3,296,775.81			
June	1,970,650.71	656,883.57	2,627,534.28			
July	2,054,110.32	684,703.44	2,738,813.76			
August	2,592,932.85	864,310.95	3,457,243.80			
September	2,171,258.39	723,752.80	2,895,011.19			
FY TOTAL	<u>\$25,924,327.62</u>	<u>\$8,641,442.51</u>	<u>\$34,565,770.13</u>			

NOTE: REPORT REFLECTS THE MONTH SALES TAX IS RECEIVED FROM AUSTIN. REVENUE IS RECORDED ON THIS BASIS FOR BUDGETARY PURPOSES.

THE COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR) WILL REFLECT GASB 33 REQUIREMENT IN ADDITION TO THE BUDGET BASIS.

**DEVELOPMENT CORPORATION OF ABILENE, INC.**  
**1/2 CENT SALES TAX REVENUE**  
***FY 2008: Monthly and Year-to-Year Comparisons***

<b>Accounting Period Month</b>	<b>Actual 2007-08</b>	<b>Actual 2008-09</b>	<b>% Change</b>
October	\$676,406	\$703,442	4.00%
November	764,578	893,442	16.85%
December	644,727	707,339	9.71%
<b>YTD</b>	<u>\$2,085,710</u>	<b>\$2,304,223</b>	<b>10.48%</b>
January	626,702		
February	977,610		
March	599,437		
April	598,138		
May	824,194		
June	656,884		
July	684,703		
August	864,311		
September	723,753		
<b>FY TOTAL</b>	<u>\$8,641,443</u>		

Note: Report reflects the month sales tax is received from Austin.  
Revenue is recorded on this basis for budgetary purposes.

The Comprehensive Annual Financial Report (CAFR) will reflect  
GASB 33 requirement in addition to the budget basis.

Revenue for December '08 represents October '08 sales. Approximately  
\$54,740 of the rebate is from prior periods, audit, and future payments.

Audit Payments: Larger businesses submit sales tax collections to the State  
Comptroller every month and smaller ones either quarterly or annually. The  
Comptroller audits the books of these businesses on a four year cycle to  
determine if sales tax was collected on all taxable sales. Audit collections  
represent the sales tax revenue from prior sales and submitted or refunded  
subsequent to the audit.

**CITY OF ABILENE, TEXAS**  
**DEVELOPMENT CORPORATION OF ABILENE, INC.**  
**Balance Sheet**  
**September 30, 2008**

**ASSETS:**

Cash and Investments	\$14,467,636
Notes receivable	14,079,182
Accounts receivable	4,500
Due from other governments	1,588,750
Prepaid Expense	0
Total Current Assets	<u>\$30,140,068</u>

**OTHER ASSETS:**

Fixed assets	\$20,676,980
Accumulated depreciation	(3,281,334)
Total Other Assets	<u>17,395,646</u>

**TOTAL ASSETS****\$47,535,714****LIABILITIES:**

Vouchers payable	\$1,415,465
Deferred revenues	198,111
Total Liabilities	<u>\$1,613,577</u>

**FUND BALANCES:**

Investment in general fixed assets	\$17,440,252
Reserved for contractual obligations(external)	23,339,586
Reserved for obligated programs(internal)	470,015
Reserved for contingent liabilities	
Undesignated Balance	4,672,284
Total Fund Balance	<u>\$45,922,137</u>

**TOTAL LIABILITIES AND FUND BALANCES****\$47,535,714****FIXED ASSETS:**

Buildings and Improvements:	Original Cost	Improvements	Depreciation	Total
2601 Airport Blvd.	\$1,563,210	\$540,632	\$282,508	\$1,821,334
2809 Airport Blvd.	396,519	444,583	293,458	547,644
2841 Airport Blvd.	456,736	62,923	262,261	257,398
4002 Loop 322	1,290,916	2,384,891	1,205,519	2,470,288
480 acres - Five Pts Bus Park	507,681	2,435,432	243,544	2,699,568
6450 Five Points Parkway	5,809,354	-	575,521	5,233,833
Grant Bldg 341 Pine	147,194	405,726	187,767	365,154
303.53 acres Hwy 36 & FM 18	449,238	-	-	449,238
2742 Lance Dr. (EASI Storage)	2,527,408	9,987	151,678	2,385,717
4109 Vine St	583,524	-	35,012	548,512
4009 Vine St	583,524	-	35,011	548,513
Vehicle: 2005 Dodge Caravan	18,011	-	7,205	10,806
SensiQ System	50,240	-	-	50,240
Office Equipment: Copier	9,250	-	1,850	7,400
<b>TOTAL FIXED ASSETS</b>	<u>\$14,392,806</u>	<u>\$6,284,174</u>	<u>\$3,281,334</u>	<u>\$17,395,646</u>

**DEVELOPMENT CORPORATION OF ABILENE  
STATUS OF FUNDS @ SEPTEMBER 30, 2008**

	Beginning I-T-D Revenues	Current Month Revenues	Current FY Revenues	(MARCH, 1990) Ending I-T-D Revenues
<b>REVENUE-TO-DATE</b>				
City Sales Tax (3131)	\$ 102,733,207.48	\$ 875,358.70	\$ 8,746,858.50	\$ 111,480,065.98
Sales Tax Retained (3132)	241,850.15	4,480.95	50,670.86	292,521.01
Other Services Charges (3731)	25.00	-	-	25.00
Princ. - Loans & Assess (3775)	868,651.55	4,305.88	2,146,057.89	3,014,709.44
Int. - Loans & Assess (3802)	2,060,915.74	1,601.68	24,557.39	2,085,473.13
Interest (3803)	5,948,089.74	18,949.59	569,688.77	6,517,778.51
Land Lease (3810)	7,428.83	-	6,406.58	13,835.41
Building/Space Rent (3816)	2,949,794.08	31,687.50	484,066.08	3,433,860.16
City Pay Phones (3890)	9,170.58	-	-	9,170.58
Miscellaneous Revenue (3892)	30,227.99	-	10.50	30,238.49
EDA Grant (3305)	242,100.00	-	-	242,100.00
Miscellaneous State Grants (3359)	6,500.00	-	-	6,500.00
Miscellaneous Federal (3379)	937,926.00	-	-	937,926.00
Interest on Investments (3800)	176,263.67	-	-	176,263.67
Other Interest (3809)	32,252.85	-	-	32,252.85
Interfund Recovery (3828)	1,534,976.08	-	-	1,534,976.08
Miscellaneous Recovery (3839)	1,891,340.41	-	5,312.50	1,896,652.91
Miscellaneous Prior Year (3840)	16,464.88	-	-	16,464.88
DCOA Admin (3847)	7,070.55	-	-	7,070.55
Other Contributions (3860)	96,866.60	-	-	96,866.60
Sale of Land (3870)	273,554.84	-	-	273,554.84
Sale of Buildings (3871)	981,647.87	-	-	981,647.87
Gain (loss) Sale of Asset	-	-	555,393.43	555,393.43
Miscellaneous Damage Claims (3889)	1,173.04	-	-	1,173.04
GASB 22 Restatement	355,634.89	-	-	355,634.89
GASB 34 FY 03 Adjustment	579,426.49	-	-	579,426.49
	<b>\$ 121,982,559.31</b>	<b>\$ 936,384.30</b>	<b>\$ 12,589,022.50</b>	<b>\$ 134,571,581.81</b>

**DEVELOPMENT CORPORATION OF ABILENE  
STATUS OF FUNDS @ SEPTEMBER 30, 2008**

	Beginning I-T-D Expenditures	Current Month Expenditures	Current FY Expenditures	Ending I-T-D Expenditures	Outstanding Contracts
<b>CONTRACTS ENCUMBERED/ EXPENDITURES-TO-DATE</b>					
Prior Years Programs	\$ 56,128,968.93	\$ -	\$ -	\$ 56,128,968.93	
Business Services Division	6,133,252.87	57,306.65	623,243.37	6,756,496.24	3,750.00
DCOA Annual Contracts	1,788,884.61	23,053.65	102,443.41	1,891,328.02	-
Abilene Industrial Foundation (4950)	10,550,934.60	75,530.40	657,963.49	11,208,898.09	-
TTU Small Business Dev Cntr (4951)	2,045,621.05	-	195,000.00	2,240,621.05	-
Chamber Military Affairs (4952)	1,011,976.83	53,493.25	70,000.00	1,081,976.83	-
Airport Business Dev Mgr (4953)	318,606.12	11,451.95	98,075.28	416,681.40	38,969.72
5 Pts Utilities 4978	918,487.40	-	-	918,487.40	-
EASI Records Const. 4990	2,440,442.58	-	-	2,440,442.58	-
Murf Systems 4998	151,665.00	-	-	151,665.00	-
Bandag Training 5203	516,334.72	-	29,135.48	545,470.20	296,749.80
Rentech 04 5207	335,360.00	-	32,320.00	367,680.00	-
Sunoco Logistics 5208	143,544.00	-	49,480.00	193,024.00	8,976.00
EASl 04 5213	1,020,937.66	-	324,300.00	1,345,237.66	1,581,700.00
EHT 5216	98,300.00	-	-	98,300.00	-
Fehr Food 5220	521,670.00	-	523,350.00	1,045,020.00	-
Research Ins 5221	500.00	-	-	500.00	-
Advanced Trailer 5224	29,750.00	-	4,391.67	34,141.67	-
Transcend Services 5227	280,157.82	-	68,463.84	348,621.66	-
Bandag Building Improv 5228	-	-	-	-	44,259.24
Glazers Ph III 5229	26,280.00	-	18,060.00	44,340.00	46,660.00
Highland Campus Health 5231	128,791.66	1,000.00	125,073.34	253,865.00	28,000.00
Rentech 5232	48,800.00	-	-	48,800.00	-
Tige Infrastructure 5233	144,397.68	-	74,238.00	218,635.68	-
Robinson Fan 5237	126,482.00	-	102,924.00	229,406.00	428,794.09
CBER Website 5240	4,317.07	-	-	4,317.07	682.93
TTU Pharmacy School 5242	-	-	-	-	-
Lauren Holdings 5245	259,770.00	-	593,328.00	853,098.00	-
18/36 Business Park 5246	23,800.00	-	-	23,800.00	-
Teleperformance USA 5247	88,040.00	-	102,230.00	190,270.00	566,730.00
Prospect 06 5248	-	-	1,225.00	1,225.00	-
BCBSTX Reroof Construction 5249	781,098.40	-	-	781,098.40	-
Shelter Distribution 5250	44,724.96	-	22,709.33	67,434.29	25,407.71
PWV (Project LF) 5251	610,993.77	-	447,767.36	1,058,761.13	2,148,701.87
Abilene Internet 5252	59,340.00	55,660.00	55,660.00	115,000.00	-
Integrated Clinic Research 5253	-	-	7,440.00	7,440.00	688,062.00
SBIR/STTR 5255	23,283.51	-	-	23,283.51	-
Coca Cola 5256	300,000.00	-	-	300,000.00	-
Welder Training Program 5257	141,824.36	-	28,305.94	170,130.30	-
Genesis Network 5258	353,533.33	-	45,600.00	399,133.33	229,866.67
URS Consultants 5259	-	-	13,752.00	13,752.00	-
Carter Burgess 5260	222,323.88	20,722.72	88,038.60	310,362.48	68,917.52
Fehr Foods 5261	118,091.53	-	-	118,091.53	-
TMAC 5262	30,000.00	-	22,500.00	52,500.00	7,500.00
SBIR/STTR 5263	37,612.59	5,234.93	29,268.06	66,880.65	204,519.35
EASI 7th Doc 5265	86,119.14	-	37,137.10	123,256.24	151,743.76
BMWT Leasing 5266	-	-	25,000.00	25,000.00	-
ABTEX Beverage 5267	-	-	-	-	1,599,040.00
MSSC Training 5269	35,479.08	-	36,282.95	71,762.03	74,353.05
Receptor Log 5270	57,404.62	(37,122.00)	986,130.25	1,043,534.87	919,034.23
Sr. Safe at Home 5271	-	-	-	-	402,455.00
WTCIC 5272	16,582.00	-	-	16,582.00	16,582.00
TTU HSC Research	-	-	490,000.00	490,000.00	2,510,000.00
Accelerator A/E 5274	8,164.39	46,588.28	296,735.39	304,899.78	46,575.22
Spec 2 Expansion A/E 5275	-	408,338.29	6,978,018.64	6,978,018.64	539,201.36
Spec 3 Construction 5276	-	606,662.54	3,600,681.31	3,600,681.31	2,135,818.69
ACU 08 SpringBoard 5277	-	-	5,000.00	5,000.00	-
Prospect Development 08 5278	-	-	5,600.00	5,600.00	-
Accelerator Land 5280	-	32,912.93	327,160.42	327,160.42	-
Energy Maintenance Service 5282	-	-	-	-	1,418,000.00
Vine Street Repair 5283	-	166,100.00	168,600.00	168,600.00	12,255.00
Genesis Network Phase II 5284	-	-	-	-	2,111,256.95
Tower Tech 5285	-	-	9,906.40	9,906.40	4,042,593.60
Receptor Lab 5287	-	320.00	320.00	320.00	942,430.00
Miscellaneous Activities 2785	354,189.86	-	-	354,189.86	-
<b>TOTAL ENCUMB. / EXPENDITURES</b>	<b>\$ 88,566,838.02</b>	<b>\$ 1,527,253.59</b>	<b>\$ 17,522,858.63</b>	<b>\$ 106,089,696.65</b>	<b>\$ 23,339,585.76</b>
<b>TOTAL FUND BALANCE</b>				<b>\$ 28,481,885.16</b>	
<b>UNENCUMBERED FUND BALANCE</b>					<b>\$ 5,142,299.40</b>

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**DEVELOPMENT CORPORATION OF ABILENE  
STATUS OF FUNDS @ SEPTEMBER 30, 2008**

	Amount Obligated	Prior Years Disbursed	Current Month Disbursed	Current Year Disbursed	Amount Encumbered	Balance
<b>BALANCE OF OBLIGATED PROGRAMS</b>						
Business Services Division	\$ 633,510.00	\$ -	\$ 57,306.65	\$ 623,243.37	\$ 3,750.00	\$ 6,516.63
DCOA Annual Contracts	224,810.00	-	23,053.65	102,443.41	-	122,366.59
Abilene Industrial Foundation (4950)	731,950.00	-	75,530.40	657,963.49	-	73,986.51
TTU Small Business Dev Cntr (4951)	195,000.00	-	-	195,000.00	-	-
Chamber Military Affairs (4952)	70,000.00	-	53,493.25	70,000.00	-	-
Airport Business Dev Mgr (4953) Pr Yrs	79,915.86	-	-	42,625.00	37,290.86	-
Airport Business Dev Mgr (4953) FY 08	137,045.00	-	11,451.95	55,450.28	1,678.86	79,915.86
5 Pts Utilities	921,445.00	918,487.40	-	-	-	2,957.60
EASI Records Const. 4990	2,440,443.00	2,440,442.58	-	-	-	0.42
Murf Systems 4998	151,665.00	151,665.00	-	-	-	-
Bandag Training 5203	842,220.00	516,334.72	-	29,135.48	296,749.80	-
Rentech 5207	367,680.00	335,360.00	-	32,320.00	-	-
Sunoco Logistics 5208	202,000.00	143,544.00	-	49,480.00	8,976.00	-
EASI 04 5213	2,926,938.00	1,020,937.66	-	324,300.00	1,581,700.00	0.34
EHT 5216	98,300.00	98,300.00	-	-	-	-
Fehr Food 5220	1,045,020.00	521,670.00	-	523,350.00	-	-
Research Ins 5221	500.00	500.00	-	-	-	-
Advanced Trailer 5224	34,142.00	29,750.00	-	4,391.67	-	0.33
Transcend Services 5227	348,623.00	280,157.82	-	68,463.84	-	1.34
Bandag Building Improv 5228	44,260.00	-	-	-	44,259.24	0.76
Glazers Ph III 5229	91,000.00	26,280.00	-	18,060.00	46,660.00	-
Highland Campus Health 5231	281,866.00	128,791.66	1,000.00	125,073.34	28,000.00	1.00
Rentech 5232	48,800.00	48,800.00	-	-	-	-
Tige Infrastructure 5233	218,636.00	144,397.68	-	74,238.00	-	0.32
Robinson Fan 5237	658,200.00	126,482.00	-	102,924.00	428,794.09	(0.09)
CBER Website 5240	5,000.00	4,317.07	-	-	682.93	-
TTU Pharmacy School 5242	149,232.00	-	-	-	-	149,232.00
Lauren Holdings 5245	853,098.00	259,770.00	-	593,328.00	-	-
18/36 Business Park 5246	23,800.00	23,800.00	-	-	-	-
Teleperformance USA 5247	757,000.00	88,040.00	-	102,230.00	566,730.00	-
Prospect 06	1,225.00	-	-	1,225.00	-	-
BCBSTX Reroof Construction 5249	781,098.00	781,098.40	-	-	-	(0.40)
Shelter Distribution 5250	92,842.00	44,724.96	-	22,709.33	25,407.71	-
PWP (Project LF) 5251	3,207,463.00	610,993.77	-	447,767.36	2,148,701.87	-
Abilene Internet 5252	115,000.00	59,340.00	55,660.00	55,660.00	-	-
Integrated Clinic Research 5253	695,502.00	-	-	7,440.00	688,062.00	-
SBIR/STTR 5255	23,284.00	23,283.51	-	-	-	0.49
Coca Cola 5256	300,000.00	300,000.00	-	-	-	-
Welder Training Program 5257	170,130.00	141,824.36	-	28,305.94	-	(0.30)
Genesis Network 5258	629,000.00	353,533.33	-	45,600.00	229,866.67	-
URS Consultants 5259	13,752.00	-	-	13,752.00	-	-
Carter Burgess 5260	349,320.00	222,323.88	20,722.72	88,038.60	68,917.52	(29,960.00)
Fehr Foods 5261	118,092.00	118,091.53	-	-	-	0.47
TMAC 5262	60,000.00	30,000.00	-	22,500.00	7,500.00	-
SBIR/STTR 5263	271,400.00	37,612.59	5,234.93	29,268.06	204,519.35	-
EASI 7th Doc 5265	275,000.00	86,119.14	-	37,137.10	151,743.76	-
BMWV Leasing 5266	25,000.00	-	-	25,000.00	-	-
ABTEX Beverage 5267	1,599,040.00	-	-	-	1,599,040.00	-
MSSC Training 5269	146,115.00	35,479.08	-	36,282.95	74,353.05	(0.08)
Receptor Log 5270	2,000,000.00	57,404.62	(37,122.00)	986,130.25	919,034.23	37,430.90
Sr. Safe at Home 5271	402,455.00	-	-	-	402,455.00	-
WTCIC 5272	33,164.00	16,582.00	-	-	16,582.00	-
TTU HSC Research 5273	3,000,000.00	-	-	490,000.00	2,510,000.00	-
Accelerator A/E 5274	351,800.00	8,164.39	46,588.28	298,735.39	46,575.22	325.00
Spec 2 Expansion 5275	7,517,220.00	-	408,338.29	6,978,018.64	539,201.36	-
Spec 3 Construction 5276	5,736,500.00	-	606,662.54	3,600,681.31	2,135,818.69	-
ACU 08 SpringBoard 5277	5,000.00	-	-	5,000.00	-	-
Prospect Development 08 5278	35,000.00	-	-	5,600.00	-	29,400.00
Accelerator Land 5280	325,000.00	-	32,912.93	327,160.42	-	(2,160.42)
Energy Maintenance Services 5282	1,418,000.00	-	-	-	1,418,000.00	-
Vine Street Repair 5283	180,855.00	-	166,100.00	168,600.00	12,255.00	-
Genesis Network Phase II 5284	2,111,257.00	-	-	-	2,111,256.95	0.05
Tower Tech 5285	4,052,500.00	-	-	9,906.40	4,042,593.60	-
Receptor Lab 5287	942,750.00	-	320.00	320.00	942,430.00	-
Miscellaneous Activities 2785	354,189.86	354,189.86	-	-	-	-
<b>BALANCE OF OBLIGATED PROGRAMS</b>	<b>\$ 51,921,052.72</b>	<b>\$ 10,588,593.01</b>	<b>\$ 1,527,253.59</b>	<b>\$ 17,522,858.63</b>	<b>\$ 23,339,585.76</b>	<b>\$ 470,015.32</b>
<b>UNDESIGNATED FUND BALANCE</b>						<b>\$ 4,672,284.08</b>
DCOA Board approved projects waiting for signed contracts						
Project DC (5286)	1,365,000.00			EXPIRATION DATE 12/24/2008		
Texas Metal & Recycling (5288)	34,212.00			02/19/2009		
	<u>1,399,212.00</u>					

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CITY OF ABILENE, TEXAS

PRELIMINARY

DEVELOPMENT CORPORATION OF ABILENE, INC.

Balance Sheet  
October 31, 2008

**ASSETS:**

Cash and Investments	13,798,448
Notes receivable	13,899,056
Accounts receivable	4,500
Due from other governments	1,588,750
Prepaid Expense	0
Total Current Assets	<u>\$29,290,754</u>

**OTHER ASSETS:**

Fixed assets	\$20,676,980
Accumulated depreciation	(3,281,334)
Total Other Assets	<u>17,395,646</u>

TOTAL ASSETS

\$46,686,400

**LIABILITIES:**

Vouchers payable	\$688,802
Deferred revenues	198,111
Total Liabilities	<u>\$886,913</u>

**FUND BALANCES:**

Investment in general fixed assets	\$17,395,646
Reserved for contractual obligations(external)	23,864,102
Reserved for obligated programs(internal)	765,758
Reserved for contingent liabilities	
Undesignated Balance	3,773,980
Total Fund Balance	<u>\$45,799,486</u>

TOTAL LIABILITIES AND FUND BALANCES

\$46,686,400

**FIXED ASSETS:**

Buildings and Improvements:	Original Cost	Improvements	Depreciation	Total
2601 Airport Blvd.	\$1,563,210	\$540,632	\$282,508	\$1,821,334
2809 Airport Blvd.	396,519	444,583	293,458	547,644
2841 Airport Blvd.	456,736	62,923	262,261	257,398
4002 Loop 322	1,290,916	2,384,891	1,205,519	2,470,288
473.405 acres - Five Pts Bus Park	507,681	2,435,432	243,544	2,699,568
6450 Five Points Parkway	5,809,354	-	575,521	5,233,833
Grant Bldg 341 Pine	147,194	405,726	187,767	365,154
303.53 acres Hwy 36 & FM 18	449,238	-	-	449,238
2742 Lance Dr. (EASI Storage)	2,527,408	9,987	151,678	2,385,717
4109 Vine St	583,524	-	35,012	548,512
4009 Vine St	583,524	-	35,011	548,513
Vehicle: 2005 Dodge Caravan	18,011	-	7,205	10,806
Equipment	59,490	-	1,850	57,640
TOTAL FIXED ASSETS	<u>\$14,392,806</u>	<u>\$6,284,174</u>	<u>\$3,281,334</u>	<u>\$17,395,646</u>

**DEVELOPMENT CORPORATION OF ABILENE  
STATUS OF FUNDS @ OCTOBER 31, 2008**

					(MARCH, 1990)
	Object	Beginning I-T-D Revenues	Current Month Revenues	Current FY Revenues	Ending I-T-D Revenues
<b>REVENUE-TO-DATE</b>					
City Sales Tax	3131	\$ 111,480,065.98	\$ 699,207.79	\$ 699,207.79	\$ 112,179,273.77
Sales Tax Retained	3132	292,521.01	4,234.40	4,234.40	296,755.41
Other Services Charges	3731	25.00	-	-	25.00
Princ. - Loans & Assess	3775	3,014,709.44	-	-	3,014,709.44
Int. - Loans & Assess	3802	2,085,473.13	1,030.69	1,030.69	2,086,503.82
Interest	3803	6,517,778.51	18,465.60	18,465.60	6,536,244.11
Land Lease	3810	13,835.41	-	-	13,835.41
Building/Space Rent	3816	3,433,860.16	41,937.50	41,937.50	3,475,797.66
City Pay Phones	3890	9,170.58	-	-	9,170.58
Miscellaneous Revenue	3892	30,238.49	-	-	30,238.49
EDA Grant	3305	242,100.00	-	-	242,100.00
Miscellaneous State Grants	3359	6,500.00	-	-	6,500.00
Miscellaneous Federal	3379	937,926.00	-	-	937,926.00
Interest on Investments	3800	176,263.67	-	-	176,263.67
Other Interest	3809	32,252.85	-	-	32,252.85
Interfund Recovery	3828	1,534,976.08	-	-	1,534,976.08
Miscellaneous Recovery	3839	1,896,652.91	-	-	1,896,652.91
Miscellaneous Prior Year	3840	16,464.88	-	-	16,464.88
DCOA Admin	3847	7,070.55	-	-	7,070.55
Other Contributions	3860	96,866.60	-	-	96,866.60
Sale of Land	3870	273,554.84	-	-	273,554.84
Sale of Buildings	3871	981,647.87	-	-	981,647.87
Gain (loss) Sale of Asset	3873	555,393.43	-	-	555,393.43
Miscellaneous Damage Claims	3889	1,173.04	-	-	1,173.04
GASB 22 Restatement		355,634.89	-	-	355,634.89
GASB 34 FY 03 Adjustment		579,426.49	-	-	579,426.49
GASB 34 FY 08 Adjustment		44,606.57	-	-	44,606.57
		<b>\$ 134,616,188.38</b>	<b>\$ 764,875.98</b>	<b>\$ 764,875.98</b>	<b>\$ 135,381,064.36</b>



**DEVELOPMENT CORPORATION OF ABILENE  
STATUS OF FUNDS @ OCTOBER 31, 2008**

	Project	Beginning I-T-D Expenditures	Current Month Expenditures	Current FY Expenditures	Ending I-T-D Expenditures	Outstanding Contracts
<b>CONTRACTS ENCUMBERED/ EXPENDITURES-TO-DATE</b>						
Prior Years Programs		\$ 62,027,563.47	\$ -	\$ -	\$ 62,027,563.47	
Business Services Division	Div 2760	6,756,496.24	43,297.74	43,297.74	6,799,793.98	2,500.00
DCOA Annual Contracts	Div 2775	1,891,328.02	15,349.03	15,349.03	1,906,677.05	-
Abilene Industrial Foundation	2775-4950	11,208,898.09	16,678.10	16,678.10	11,225,576.19	753,730.90
TTU Small Business Dev Cntr	2775-4951	2,240,621.05	-	-	2,240,621.05	195,000.00
Chamber Military Affairs	2775-4952	1,081,976.83	-	-	1,081,976.83	70,000.00
Airport Business Dev Mgr	2775-4953	416,681.40	-	-	416,681.40	170,769.72
Murf Systems	4998	151,665.00	-	-	151,665.00	-
Bandag Training	5203	545,470.20	-	-	545,470.20	296,749.80
Rentech 04	5207	367,680.00	-	-	367,680.00	-
Sunoco Logistics	5208	193,024.00	-	-	193,024.00	8,976.00
EASI 04	5213	1,345,237.66	247,251.57	247,251.57	1,592,489.23	1,334,448.43
EHT	5216	98,300.00	-	-	98,300.00	-
Fehr Food	5220	1,045,020.00	-	-	1,045,020.00	-
Transcend Services	5227	348,621.66	663.81	663.81	349,285.47	-
Bandag Building Improv	5228	-	-	-	-	44,259.24
Glazers Ph III	5229	44,340.00	-	-	44,340.00	46,660.00
Highland Campus Health	5231	253,865.00	-	-	253,865.00	28,000.00
Rentech	5232	48,800.00	-	-	48,800.00	-
Robinson Fan	5237	229,406.00	-	-	229,406.00	428,794.09
CBER Website	5240	4,317.07	-	-	4,317.07	682.93
TTU Pharmacy School	5242	149,232.00	-	-	149,232.00	-
Teleperformance USA	5247	190,270.00	-	-	190,270.00	566,730.00
Shelter Distribution	5250	67,434.29	-	-	67,434.29	25,407.71
PWP (Project LF)	5251	1,058,761.13	-	-	1,058,761.13	2,148,701.87
Integrated Clinic Research	5253	7,440.00	-	-	7,440.00	688,062.00
Genesis Network	5258	399,133.33	-	-	399,133.33	229,866.67
Carter Burgess	5260	310,362.48	-	-	310,362.48	38,957.52
Fehr Foods	5261	118,091.53	-	-	118,091.53	-
TMAC	5262	52,500.00	-	-	52,500.00	7,500.00
SBIR/STTR	5263	66,880.65	95.00	95.00	66,975.65	204,424.35
EASI 7th Doc	5265	123,256.24	100,000.00	100,000.00	223,256.24	51,743.76
BMWT Leasing	5266	25,000.00	-	-	25,000.00	-
ABTEX Beverage	5267	-	-	-	-	1,599,040.00
MSSC Training	5269	71,762.03	-	-	71,762.03	74,353.05
Receptor Log	5270	1,043,534.87	23,498.69	23,498.69	1,067,033.56	895,501.74
Sr. Safe at Home	5271	-	-	-	-	402,455.00
WTCIC	5272	16,582.00	-	-	16,582.00	16,582.00
TTU HSC Research	5273	490,000.00	-	-	490,000.00	2,510,000.00
Accelerator A/E	5274	304,899.78	-	-	304,899.78	46,575.22
Spec 2 Expansion A/E	5275	6,978,018.64	-	-	6,978,018.64	539,201.36
Spec 3 Construction	5276	3,600,681.31	291,362.98	291,362.98	3,892,044.29	1,844,455.71
Prospect Development 08	5278	5,600.00	-	-	5,600.00	-
Accelerator Land	5280	327,160.42	97.77	97.77	327,258.19	-
Energy Maintenance Service	5282	-	-	-	-	1,418,000.00
Vine Street Repair	5283	168,600.00	-	-	168,600.00	12,255.00
Genesis Network Phase II	5284	-	-	-	-	2,103,694.90
Tower Tech	5285	9,906.40	-	-	9,906.40	4,117,593.60
Receptor Lab	5287	320.00	-	-	320.00	942,430.00
Miscellaneous Activities	2785	354,189.86	-	-	354,189.86	-
<b>TOTAL ENCUMB. / EXPENDITURES</b>		<b>\$ 106,238,928.65</b>	<b>\$ 738,294.69</b>	<b>\$ 738,294.69</b>	<b>\$ 106,977,223.34</b>	<b>\$ 23,864,102.57</b>
<b>TOTAL FUND BALANCE</b>					<b>\$ 28,403,841.02</b>	
<b>UNENCUMBERED FUND BALANCE</b>						<b>\$ 4,539,738.45</b>

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**DEVELOPMENT CORPORATION OF ABILENE  
STATUS OF FUNDS @ OCTOBER 31, 2008**

Project	Amount Obligated	Prior Years Disbursed	Current Month Disbursed	Current Year Disbursed	Amount Encumbered	Balance	
<b>BALANCE OF OBLIGATED PROGRAMS</b>							
Business Services Division	Div 2760	\$ 617,840.00	\$ -	\$ 43,297.74	\$ 43,297.74	\$ 572,042.26	
DCOA Annual Contracts	Div 2775	183,000.00	-	15,349.03	15,349.03	167,650.97	
Abilene Industrial Foundation	2775-4950	770,410.00	-	16,678.10	16,678.10	1.00	
TTU Small Business Dev Cntr	2775-4951	195,000.00	-	-	-	-	
Chamber Military Affairs	2775-4952	70,000.00	-	-	-	-	
Airport Business Dev Mgr	2775-4953	131,800.00	-	-	-	(38,969.72)	
Murf Systems	4998	151,665.00	151,665.00	-	-	-	
Bandag Training	5203	842,220.00	545,470.20	-	-	-	
Rentech 04	5207	367,680.00	367,680.00	-	-	-	
Sunoco Logistics	5208	202,000.00	193,024.00	-	-	8,976.00	
EASI 04	5213	2,926,938.00	1,345,237.66	247,251.57	247,251.57	0.34	
EHT	5216	98,300.00	98,300.00	-	-	-	
Fehr Food	5220	1,045,020.00	1,045,020.00	-	-	-	
Transcend Services	5227	349,287.00	348,621.66	663.81	663.81	1.53	
Bandag Building Improv	5228	44,260.00	-	-	-	44,259.24	
Glazers Ph III	5229	91,000.00	44,340.00	-	-	46,660.00	
Highland Campus Health	5231	281,866.00	253,865.00	-	-	28,000.00	
Rentech	5232	48,800.00	48,800.00	-	-	-	
Robinson Fan	5237	658,200.00	229,406.00	-	-	428,794.09	
CBER Website	5240	5,000.00	4,317.07	-	-	682.93	
TTU Pharmacy School	5242	149,232.00	149,232.00	-	-	-	
Teleperformance USA	5247	757,000.00	190,270.00	-	-	566,730.00	
Shelter Distribution	5250	92,842.00	67,434.29	-	-	25,407.71	
PWP (Project LF)	5251	3,207,463.00	1,058,761.13	-	-	2,148,701.87	
Integrated Clinic Research	5253	695,502.00	7,440.00	-	-	688,062.00	
Genesis Network	5258	629,000.00	399,133.33	-	-	229,866.67	
Carter Burgess	5260	349,320.00	310,362.48	-	-	38,957.52	
Fehr Foods	5261	118,092.00	118,091.53	-	-	0.47	
TMAC	5262	60,000.00	52,500.00	-	-	7,500.00	
SBIR/STTR	5263	271,400.00	66,880.65	95.00	95.00	204,424.35	
EASI 7th Doc	5265	275,000.00	123,256.24	100,000.00	100,000.00	51,743.76	
BMWT Leasing	5266	25,000.00	25,000.00	-	-	-	
ABTEX Beverage	5267	1,599,040.00	-	-	-	1,599,040.00	
MSSC Training	5269	146,115.00	71,762.03	-	-	74,353.05	
Receptor Log	5270	2,000,000.00	1,043,534.87	23,498.69	23,498.69	37,464.70	
Sr. Safe at Home	5271	402,455.00	-	-	-	402,455.00	
WTCIC	5272	33,164.00	16,582.00	-	-	16,582.00	
TTU HSC Research	5273	3,000,000.00	490,000.00	-	-	2,510,000.00	
Accelerator A/E	5274	351,800.00	304,899.78	-	-	46,575.22	
Spec 2 Expansion A/E	5275	7,517,220.00	6,978,018.64	-	-	539,201.36	
Spec 3 Construction	5276	5,736,500.00	3,600,681.31	291,362.98	291,362.98	1,844,455.71	
Prospect Development 08	5278	35,000.00	5,600.00	-	-	-	
Accelerator Land	5280	325,098.00	327,160.42	97.77	97.77	(2,160.19)	
Energy Maintenance Service	5282	1,418,000.00	-	-	-	1,418,000.00	
Vine Street Repair	5283	180,855.00	168,600.00	-	-	12,255.00	
Genesis Network Phase II	5284	2,103,695.00	-	-	-	2,103,694.90	
Tower Tech	5285	4,127,500.00	9,906.40	-	-	4,117,593.60	
Receptor Lab	5287	942,750.00	320.00	-	-	942,430.00	
Miscellaneous Activities	2785	354,189.86	354,189.86	-	-	-	
<b>BALANCE OF OBLIGATED PROGRAMS</b>		<b>\$ 45,983,518.86</b>	<b>\$ 20,616,363.55</b>	<b>\$ 738,294.69</b>	<b>\$ 738,294.69</b>	<b>\$ 23,864,102.57</b>	<b>\$ 765,758.05</b>

**UNDESIGNATED FUND BALANCE**

(unencumbered balance less obligated programs and contingent liabilities)

**\$ 3,773,980.40**

DCOA Board approved projects waiting for signed contracts

Project	Amount	Expiration Date	
Project DC	5286	1,365,000.00	12/24/2008
Texas Metal & Recycling	5288	34,212.00	02/19/2009
CBER Website	5240	3,317.00	04/28/2009
Tower Tech System	5285	700,000.00	04/28/2009
TMAC FY 09	5289	60,000.00	04/28/2009
Upsize 5 PTS Water Pump	5290	50,000.00	04/28/2009
		<u>2,212,529.00</u>	

3.11

**ECONOMIC DEVELOPMENT DEPARTMENT  
SERVICE EVALUATION REPORT  
OCTOBER 2008**

**PERFORMANCE DATA  
SERVICE ANALYSIS**

Staff: Richard Burdine-Assistant City Manager for Economic Development; Kim Tarrant-Contracts Administrator; Patrick McGinnis-Construction Projects Manager, Susan Campbell-Secretary to Assistant City Manager.

**City of Abilene/Business Services** - *Funding Sources: DCOA*

DCOA approved a one-year contract with the City of Abilene beginning 10-1-08 in the amount of \$623,500 for operating expenses for the Business Services Division, plus \$150,000 for maintenance expenses for DCOA-owned properties.

During the October meeting, the DCOA board approved a resolution authorizing additional funding of \$3,317 to ACU for the CBER website enhancements at 50% of cost. Also approved was \$60,000 to continue supporting TMAC's assistance for local manufacturers. The board authorized \$50,000 to reimburse the City of Abilene Water Dept. for upsizing a new Five Points Water Pump being installed by the City of Merkel to improve fire flow during a fire. Finally, the board approved \$700,000 in additional funding for Tower Tech Systems dba Texas TTSI to cover construction cost overruns in the Five Points Business Park.

**TTU Small Business Development Center** - *Funding Sources: DCOA and Federal Govt. (SBA)*

DCOA approved a one-year contract beginning 10-1-08 in the amount of \$195,000 to reimburse SBDC for counseling services provided to Abilene residents.

A total of 104 Abilene client sessions were held this month with 26% being new clients. Six new businesses opened, and 46 new jobs were reported. Attached is a summary of monthly activity.

**Abilene Industrial Foundation, Inc./Abilene Chamber of Commerce** - *Funding Sources: DCOA and Public Donations*

DCOA approved a one-year contract with AIF/ACOC beginning 10-1-08 in the amount of \$840,409: \$419,709 for AIF operating, \$140,000 for AIF marketing, \$40,200 for Census 2010 Complete Count Plan, \$170,500 for Dyess AFB retention efforts, and \$70,000 for Military Affairs Committee expenses and staff expenses incurred.

During the month, AIF responded to 2 leads. Staff visited 10 local companies, 0 out-of-town companies/consultants and hosted 4 visits to Abilene by prospects. The Develop Abilene website experienced 2,771 hits with 743 of those being first time visitors. Attached is a year-to-date summary of activity for this year and last.

**SMALL BUSINESS DEVELOPMENT CENTER  
OCTOBER 2008 UPDATE**

Billable Hours:

243.75	Abilene business counseling hours for the month of October
104	Client sessions conducted for the month of October
	27 New clients
6	Workshops
	72 Attendees

Businesses Created:

6	Month of October
	1 Construction
	1 Manufacturing
	1 Arts/Entertainment/Recreation
	1 Health Care/Social Assistance
	2 Other Services
6	Year-to-Date
	1 Construction
	1 Manufacturing
	1 Arts/Entertainment/Recreation
	1 Health Care/Social Assistance
	2 Other Services

Jobs Created (Full Time Equivalent):

46	Month of October
	22 Construction
	2 Manufacturing
	32 Arts/Entertainment/Recreation
	2 Health Care/Social Assistance
	2 Other Services
46	Year-to-Date
	2 Construction
	2 Manufacturing

32 Arts/Entertainment/Recreation  
2 Health Care/Social Assistance  
2 Other Services

Capital Formation:

\$8,516,165 Month of October  
\$ 25,000 Construction  
\$ 25,000 Health Care/Social Assistance  
\$ 15,000 Manufacturing  
\$8,200,000 Arts/Entertainment/Recreation  
\$ 251,165 Other Services

\$8,516,165 Year-to-Date  
\$ 25,000 Construction  
\$ 25,000 Health Care/Social Assistance  
\$ 15,000 Manufacturing  
\$8,200,000 Arts/Entertainment/Recreation  
\$ 251,165 Other Services

**Abilene Industrial Foundation**  
 Monthly Marketing Summary  
 October 2008

**Total leads received/responded to: 5/2**

- 4 – Referral
- 1 – Direct (Ehrie )

**Prospect visits to Abilene: 4**

- Run Energy
- Project VHS
- Lineman College
- Quality FCE & Associates

**Trade shows / conferences:**

- Solar Show, San Diego
- TMCN Annual Conference,

**Retention visits: 10**

- BlueCross BlueShield
- Rentech
- AES
- GES
- Tower Tech
- Hirschfeld
- Zoltek
- Bandag
- Horizon Wind Energy
- EMS

**New prospect files opened: 1**

- Project Lineman

**Website hits/visits:**

- Hits – 2,771
- First Time Visitors – 743
- Returning Visitors – 406
- Unique Visitors – 1,149

**E-Newsletters: 125**

- Monthly E-Newsletter

**Inquiries for AIF website from the Economic Development Directory:**

- August – 61
- September – 77
- October - 109

<b>Activity</b>	<b>Oct 08</b>	<b>Oct 07</b>	<b>YTD 08/09</b>	<b>YTD 07/08</b>
Number of ads placed	1	0	1	0
Newsletters	125	116	125	116
Prospect files opened	1	0	1	0
Consultant/Prospect contacts	0	4	0	4
Retention contacts	10	18	10	18
Prospect visits to Abilene	4	2	4	2

3,15

# DEVELOPMENT CORPORATION OF ABILENE, INC.

## Board Agenda

Meeting Date: December 23, 2008

**PROJECT: Project BG**

**STAFF: Richard Burdine, CEO**

### THE COMPANY

Project BG provides operations, maintenance, installation and technical services to the energy industry worldwide with offices in Houston, Australia and England. The company specializes in wind power, engine power (gas, diesel, alternative fuels), and gas systems (landfill gas, biogas, coal seam methane). Services range from short-term technical assistance and skilled labor supply, to regular equipment servicing, to total responsibility for long-term plant operation and maintenance. The goal is to customize its services to meet the needs of its clients and provide innovative, practical, and cost effective solutions in order to maximize the safety and performance of the customer's facilities. The company was formed in 2002 and currently employs 16 in Houston. Today, Project BG employs 150 worldwide with about 100 of those based in the U.S.

### THE REQUEST

The company began servicing for the wind industry in 2006 and opened a satellite office in Abilene in 2008, which currently employs 24. In exchange for assistance from the DCOA to expand in Abilene, Project BG will relocate its U.S. headquarters to Abilene and create 80 additional jobs for a total of 104. The proposed assistance package totaling \$748,000 is as follows:

1. Job Creation Incentive – With the creation of 80 new jobs as outlined below, the company would qualify for \$1,111,000 paid out over 5 years. The company will retain its existing 24 jobs for which they receive no credit. Staff proposes the board authorize one half of the qualifying funding (\$555,500) for new job creation with the stipulation that the other one half may be requested of the board once Project BG creates 40 new jobs.

Salary Level/Annually	Projected Jobs	Incentives	Total
\$30 to \$40,000	5	\$10,000	\$50,000
\$40 to \$50,000	50	\$12,000	\$600,000
\$50 to \$60,000	20	\$15,000	\$300,000
Over \$60,000	5	35%	\$161,000
Total Jobs:	80		\$1,111,000

2. Capital Investment Incentive – Up to \$145,000 for capital investment as indicated below:

	Investment Amt.	Incentives %	Incentives Total
Building Design & Construction	\$ 800,000	10%	\$ 80,000
Capital Equipment	\$ 650,000	10%	\$ 65,000
Total:	\$1,450,000		\$145,000

3. Job Training Grant – Up to \$37,500 reimbursed at 15% of actual training costs for new employees upon certification that the employees have finished the required training and have obtained certification.

4. Relocation Grant – Up to \$10,000 to offset relocation expenses reimbursed at 10% of actual relocation costs for employees moving to Abilene from Houston.

**STAFF RECOMMENDATION**

Staff recommends approval of resolution DCOA-2009.08 authorizing funding of up to \$748,000 for Project BG as outlined above.

**ATTACHMENTS**

Resolution DCOA-2009.08



**RESOLUTION NO. DCOA-2009.08**

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. (DCOA), ABILENE, TEXAS AUTHORIZING FINANCIAL ASSISTANCE FOR PROJECT BG.

WHEREAS, the purpose of the DCOA is to expand employment opportunities for the citizens of Abilene; and,

WHEREAS, Project BG provides operations, maintenance, installation and technical services to the energy industry worldwide with offices in Houston, Australia and England; and,

WHEREAS, the company began servicing for the wind industry in 2006 and opened a satellite office in Abilene in 2008, which currently employs 24; and,

WHEREAS, in exchange for assistance from the DCOA to expand in Abilene, Project BG will relocate its U.S. headquarters to Abilene and create 80 additional jobs for a total of 104; and,

WHEREAS, with the creation of 80 new jobs, the company would qualify for \$1,111,000 paid out over 5 years; however, staff proposes the DCOA assist with the creation of 40 new jobs with the understanding the company can return for additional assistance after 40 jobs are created; and,

WHEREAS, staff proposes the DCOA assist with funding of \$748,000 for job creation, capital investment, training expenses, and relocation costs in exchange for new employment and company headquarters being moved to Abilene.

**NOW THEREFORE, BE IT RESOLVED BY THE DEVELOPMENT CORPORATION OF ABILENE, INC., ABILENE, TEXAS, THAT:**

**PART 1.** DCOA authorizes funding for Project BG in an amount not to exceed Seven Hundred Forty-Eight Thousand and no/100's Dollars (\$748,000) in exchange for moving corporate headquarters to Abilene from Houston and the creation of 40 new jobs. Funding shall be allocated as follows:

- Job Creation Incentive – With the creation of 80 new jobs as outlined below, the company would qualify for \$1,111,000 paid out over 5 years. The company will retain its existing 24 jobs for which they receive no credit. Hereby authorized is one half of the qualifying funding in the amount of \$555,500 for new job creation with the stipulation that the other one half may be requested of the board once Project BG creates 40 new jobs.

Salary Level/Annually	Projected Jobs	Incentives	Total
\$30 to \$40,000	5	\$10,000	\$50,000
\$40 to \$50,000	50	\$12,000	\$600,000
\$50 to \$60,000	20	\$15,000	\$300,000
Over \$60,000	5	35%	\$161,000
Total Jobs:	80		\$1,111,000

- Capital Investment Incentive – Up to \$145,000 for capital investment as indicated below. Funding will be reimbursed to the company upon receipt of paid invoices detailing eligible costs.

	Investment Amt.	Incentives %	Incentives Total
Building Design & Construction	\$ 800,000	10%	\$ 80,000
Capital Equipment	\$ 650,000	10%	\$ 65,000
Total:	\$1,450,000		\$145,000

- Job Training Grant – Up to \$37,500 reimbursed at 15% of actual training costs for new employees upon certification that the employees have finished the required training and have obtained certification.
- Relocation Grant – Up to \$10,000 to offset relocation expenses reimbursed at 10% of actual relocation costs for employees moving to Abilene from Houston.

**PART 2.** Funding under this resolution is contingent upon execution of all necessary agreements. The funding commitment authorized under this resolution shall expire without notice 180 days from the date of adoption of same unless all required documents and agreements are executed prior to that expiration date or the commitment herein is extended in writing by the DCOA.

**PART 3.** The Chief Executive Officer of the Development Corporation of Abilene, Inc. is hereby authorized to negotiate, enter into and execute any contract and all other related documents on behalf of the DCOA.

ADOPTED this the 23rd day of December, 2008.

ATTEST:

\_\_\_\_\_  
Dee Moore  
Secretary/Treasurer

\_\_\_\_\_  
Joe Crawford  
President

APPROVED:

\_\_\_\_\_  
T. Daniel Santee, City Attorney

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**DEVELOPMENT CORPORATION OF ABILENE, INC.**  
**BOARD AGENDA**  
**MEETING DATE: December 23, 2008**

**PROJECT:           Affiliated Food Stores Lease Addendum C**

**STAFF:             Richard Burdine, CEO**

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**BACKGROUND**

The DCOA owns the property located at 4109 Vine St. and leases it to Affiliated Food Stores (AFS). AFS is an Oklahoma corporation organized in 1939 as a wholesale grocery distributor selling merchandise to its member-stockholders from the Abilene location. With a recent influx of major supermarkets in the area, small stores have been forced to close, reducing AFS's business. The primary lender forced AFS to file bankruptcy in late 2003, jeopardizing the Abilene operation and the then existing 100 jobs.

The DCOA purchased the property and the warehouse at 4009-4109 Vine in 2004 from AFS for \$1.2 million. AFS occupies approximately 110,000 sq ft of space that includes office and warehouse. The regular lease amount is \$14,375/month; however, the lease rate was reduced by the DCOA in April of 2007 (via Addendum A) to \$7,500/month to further assist AFS toward financial stability. The lease amount is scheduled to return to the original rate in January 2009. The lease expires in May 2009, but AFS has the option of renewing the lease for another 5 years at a fair market lease rate. The warehouse at 4009 Vine is currently under lease to Fehr Foods.

The roof on the property was in very poor condition and prompted the State Department of Health and the City of Abilene Health Department to cite AFS numerous times for the unsanitary conditions of the food storage areas. AFS spent around \$20,000 to fix the problem, unsuccessfully, and they had to vacate a portion of the building. They were also facing fines of up to \$25,000/day for continued violation. The DCOA approved in May 2008 funding of \$180,855 to repair the roof and add the cost to the purchase price paid by AFS (via Addendum B) should the company exercise its option to purchase the property back.

Unfortunately, during repairs (while a portion of the roof was off), a sudden and heavy rain flooded the building's interior causing extensive damage and forcing AFS to vacate most of its first floor office space. Insurance claims were filed for structure damage and loss of equipment suffered by AFS, and the first floor renovations are approximately one half finished. The net cost of first floor repairs is \$15,971 (\$48,641 total cost less ins. claim proceeds of \$32,670). Once finished, repairs to the 2<sup>nd</sup> floor will commence at a cost of \$15,576 for water damage that existed prior to the insurance claim event. Of the \$180,855 approved for repairs in 5/08, there is \$12,255 remaining that will be applied toward the interior repairs. The remainder (\$19,292) will be paid from the DCOA's Property Maintenance budget of \$150,000.

**THE REQUEST**

AFS was losing money at the time the DCOA approved the rent reduction in 4/07. Since then, the company has been able to pay down about 75% of its bankruptcy debt and turn a profit in FY2008, due in large part to the reduced rental burden. There are 52-70 employees depending on the time of year with 80% of those being minorities/female. Sales so far in FY2009 are down 12.3% and expenses have been cut to the bare bone. The age of the facility is a constant concern and requires ongoing repairs. The scheduled rent increase in January 2009 back to the original rental amount of

\$14,375/month will undoubtedly make it difficult for the company to meet all of its financial obligations. The company is very grateful to the DCOA for its assistance over the years and requests the board authorize an extension of the lease for an additional 5 years through May 2014 and consider a revised lease payment schedule as follows:

- January 2009 through May 2009 - \$7,500/month
- June 2009 through December 2009 - \$8,500/month
- January 2010 through May 2014 - \$10,000/month

**FISCAL IMPACT**

See above.

**STAFF RECOMMENDATION**

Staff recommends approval of Addendum C to the Lease with Affiliated Food Stores extending the lease and amending the monthly rental payments as outlined above.

**ATTACHMENTS**

Addendum C to Lease with Affiliated Food Stores, Inc.

STATE OF TEXAS           X  
                                  X  
COUNTY OF TAYLOR      X

**ADDENDUM C**  
**TO LEASE AGREEMENT**

This is Addendum C (“Addendum”) to the Lease Agreement executed April 26, 2004, (“Lease”) by and between the **Development Corporation of Abilene, Inc.** (“DCOA”), a Texas corporation formed pursuant to Tex. Rev. Civ. Stat. Ann. Art. 5190.6, and **Affiliated Food Stores, Inc.**, (“AFS”) an Oklahoma corporation with headquarters located at 4109 Vine, Abilene, Taylor County, Texas, 79602.

WHEREAS, AFS and DCOA entered into a Lease Agreement (“Lease”) effective May 19, 2004, for the property located at 4109 Vine St., Abilene, Texas, consisting of approximately 110,000 sq ft of building floor space and adjoining parking lot spaces, which will expire on May 31, 2009 unless extended; and,

WHEREAS, the Lease was amended by Addendum A effective April 1, 2007, until December 31, 2008, whereby the monthly rental rate referred to in Section III. Rental Rate, of the Lease (page 2) was reduced effective April 1, 2007, by 50% from \$13,750 to \$6,875, plus the rental from the Ryder Lease in the amount of \$625, for a total monthly rental payment of \$7,500; and,

WHEREAS, the Lease was again amended by Addendum B effective May 20, 2008, whereby the DCOA agreed to fund the cost of replacing portions of the roof and repairing interior damage caused by water leaks from the roof, with the actual cost of such repairs being added to the total sales price of \$1.2 million as stated in Section V. PURCHASE OPTION of the Lease, should AFS choose to exercise its option to repurchase; and,

WHEREAS, AFS has made progress toward stabilization and profitability due in part to the reduced rent authorized by the DCOA via Addendum A and requests the lease be extended via Section IV.B. of the Lease, Option to Extend, an additional five years through May 2014, and rent remain reduced for the extension period.

NOW THEREFORE, the Lease is hereby amended and the parties hereby agree as follows:

1. The Lease continues in full force and effect, with the addition of the terms described in Addendum A, Addendum B, and below.
2. The Lease is hereby extended 5 additional years beginning June 1, 2009, through May 31, 2014.
3. Effective January 1, 2009, the monthly rental rate shall be as follows:

- January 2009 through May 2009 - \$7,500/month
- June 2009 through December 2009 - \$8,500/month
- January 2010 through May 2014 - \$10,000/month

This Addendum, Addendum A, Addendum B and the Lease shall constitute the sole agreement between DCOA and AFS relating to the subject matter herein.

AGREED:

**Affiliated Food Stores, Inc.**  
4109 Vine St.  
Abilene, Texas 79602  
(325) 692-1440

**Development Corporation of Abilene, Inc.**  
174 Cypress, Ste. 301  
Abilene, Texas 79601  
(325) 676-6390

\_\_\_\_\_  
Darrell Earnest, President/CEO

\_\_\_\_\_  
Richard Burdine, CEO

Date: \_\_\_\_\_

Date: \_\_\_\_\_