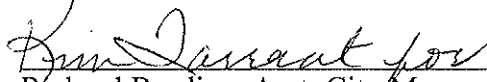


PUBLIC NOTICE

DEVELOPMENT CORPORATION OF ABILENE, INC.

A regular meeting of the Development Corporation of Abilene, Inc. will be held on Tuesday, August 18, 2009, in the Develop Abilene conference room, 174 Cypress St., Abilene, Texas, 3rd floor, commencing at 1:30 p.m. to consider the following agenda:

SIGNED:



Richard Burdine, Asst. City Manager for Economic Development

AGENDA

August 18, 2009
1:30 p.m.

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

1. Call the meeting to order.
2. Approval of the minutes from the August 4, 2009 meeting.
3. Sales Tax report for August 2009.
4. Presentation and possible approval of report from the *Project Evaluation Committee* on Fiscal Year ("FY") 09 contract performance for:
 - a. Texas Tech Small Business Development Center
 - b. Abilene Industrial Foundation and Chamber of Commerce Military Affairs Committee
 - c. City of Abilene: Airport Business Development Management
 - d. City of Abilene: Business Services and Property Maintenance divisions of the Department of Economic Development
5. Presentation and possible approval of report from the *Budget & Finance Committee* concerning funding proposals for FY 2010:
 - a. Texas Tech Small Business Development Center
 - b. Abilene Chamber of Commerce – Military Affairs Committee
 - c. Abilene Industrial Foundation, Inc.
 - d. City of Abilene: Airport Business Development Management
 - e. City of Abilene: Business Services and Property Maintenance divisions of the Department of Economic Development
6. Public hearing: funding proposals and proposed budget for FY 2010.
7. Discussion and possible approval of funding requests and proposed budget for FY 2010.
8. Presentation of annual report by Rich J. Leidl, P.C. and Team Concepts.

9. 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.

10. 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 _____, 2009, 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
AUGUST 4, 2009**

MEMBERS PRESENT: Joe Crawford Mike Schweikhard
Marelyn Shedd Paul Cannon
Scott Senter

STAFF PRESENT: Richard Burdine Kim Tarrant
Sarah Chen-Graduate Research Intern
Mike Rains

GUESTS PRESENT: Gary Robinett Abilene Industrial Foundation

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 JULY 14, 2009 MEETING.** Paul Cannon moved to approve the minutes from the June 23, 2009, meeting. Mike Schweikhard seconded and the motion carried.
3. **SALES TAX REPORT FOR JULY 2009 AND STATUS OF FUNDS REPORTS FOR MAY AND JUNE 2009.** Mike Rains, Assistant Finance Director for the City of Abilene, reported the sales tax rebate for July was \$598,036.41 which is 12.66% below last year. Three projects: Spec 3, Tower Tech and Eagle Aviation accounted for 80% of total expenses for June. Total funds encumbered for June were almost \$17.4 million and our undesignated fund balance was nearly \$6.5 million. PWP and the Accelerator projects represented 78% of expenses for May.
4. **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 August 4, 2009, and the time is 1:37 p.m. Mr. Crawford then announced the date is still August 4, 2009, and the time is 2:43 p.m. No vote or action was taken in Executive Session.

5. **DISCUSSION & POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING DEVELOPMENT OF PLANS TO BUILD OUT SHELL SPACE FOR LABORATORY, OFFICE AND MEETING ROOMS IN THE ABILENE LIFE SCIENCES ACCELERATOR. (TABLED ON JULY 14, 2009).** Marelyn Shedd moved to untable this item from the July 14, 2009 meeting. Scott Senter seconded and the motion carried. There was no further discussion. Scott Senter made a motion to approve Resolution No. DCOA-2009.17 as presented. The motion was seconded by Paul Cannon and it carried.

6. **DISCUSSION & POSSIBLE APPROVAL OF AN ORAL RESOLUTION AUTHORIZING THE CEO TO NEGOTIATE A CONTRACT WITH EMERGENT TECHNOLOGIES, INC. FOR PERSONNEL, BUSINESS RECRUITMENT, BUSINESS ACCELERATION AND STRATEGIC PLANNING SERVICES FOR THE ABILENE LIFE SCIENCES ACCELERATOR.** After some discussion, Scott Senter moved to approve by oral resolution, authorization for the CEO to negotiate a contract with Emergent Technologies Inc. as presented above. Mike Schweikhard seconded and the motion carried.

7. **ADJOURNMENT.** The next DCOA board meeting will be August 18, 2009. There being no further business, the meeting was adjourned.

Joe Crawford, President

MEMORANDUM

August 12, 2009

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

FROM: Mindy Patterson, Director of Finance

SUBJECT: August Sales Tax

The sales tax rebate for August is \$3,196,358.81 which represents June sales. This is 7.55% below last year. The breakdown of the August rebate is \$2,397,269.11 to the General Fund and \$799,089.70 for economic development. Of this rebate, \$90,691 is from prior periods, audit payments, future payments, and unidentified payments. Based on this rebate, sales tax is .84% above last year for the period of October through August. 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
January	1,880,105.59	626,701.86	2,506,807.45	1,981,869.70	660,623.23	2,642,492.93
February	2,932,831.13	977,610.37	3,910,441.50	2,867,665.67	955,888.56	3,823,554.23
March	1,798,311.71	599,437.23	2,397,748.94	1,807,393.10	602,464.36	2,409,857.46
April	1,794,413.90	598,137.96	2,392,551.86	1,849,680.13	616,560.04	2,466,240.17
May	2,472,581.86	824,193.95	3,296,775.81	2,380,270.93	793,423.64	3,173,694.57
June	1,970,650.71	656,883.57	2,627,534.28	1,961,132.05	653,710.68	2,614,842.73
July	2,054,110.32	684,703.44	2,738,813.76	1,794,109.23	598,036.41	2,392,145.64
August	2,592,932.85	864,310.95	3,457,243.80	2,397,269.11	799,089.70	3,196,358.81
YTD	<u>\$23,753,069.23</u>	<u>\$7,917,689.71</u>	<u>\$31,670,758.94</u>	<u>\$23,952,059.93</u>	<u>\$7,984,019.95</u>	<u>\$31,936,079.88</u>
September	<u>2,171,258.39</u>	<u>723,752.80</u>	<u>2,895,011.19</u>			
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

Accounting Period Month	Actual 2007-08	Actual 2008-09	% Change
October	\$676,406	\$703,442	4.00%
November	764,578	893,442	16.85%
December	644,727	707,339	9.71%
January	626,702	660,623	5.41%
February	977,610	955,889	-2.22%
March	599,437	602,464	0.50%
April	598,138	616,560	3.08%
May	824,194	793,424	-3.73%
June	656,884	653,711	-0.48%
July	684,703	598,036	-12.66%
August	864,311	799,090	-7.55%
YTD	\$7,917,690	\$7,984,020	0.84%
September	723,753		
FY TOTAL	\$8,641,443		

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 August '09 represents June '09 sales. Approximately
\$22,673 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.

DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD AGENDA
MEETING DATE: August 18, 2009

PROJECT: **Recommendations from Project Evaluation Committee**

FROM: **Richard Burdine, CEO**

GENERAL INFORMATION:

The Project Evaluation Committee of the DCOA met on August 12, 2009, to consider audit reports prepared by Economic Development and Internal Audit staff of the City of Abilene on the agencies currently under contract with the DCOA. Staff visited the Texas Tech Small Business Development Center and the Abilene Industrial Foundation to determine compliance with contract performance objectives. The City's Internal Auditor conducted a review of performance objectives for the City's Department of Economic Development (Business Services Division) as staff to the DCOA and the Airport's Business Development program. A visit to the Chamber to review compliance by the Military Affairs Committee was not conducted because all requests for reimbursement are accompanied by copies of related invoices.

SPECIAL CONSIDERATIONS:

Members of the Project Evaluation Committee that attended the 8-12-09 meeting are Mike Schweikhard, Paul Cannon, Ray Ferguson, Tucker Bridwell, Dani Ramsay, John Stearns and Charlie Black. Attached are minutes from the Committee meeting, which include recommendations concerning renewal of existing contracts for Fiscal Year 2010. Dani Ramsay was elected Chairperson, and she will present the Committee's recommendations to the board during the meeting.

FUNDING/FISCAL IMPACT:

None.

STAFF RECOMMENDATION:

Staff recommends the Board receive the attached minutes from the Project Evaluation Committee, which include recommendations for contract renewals for FY10.

ATTACHMENT:

Minutes of Project Evaluation Committee meeting dated 8-12-09.

**DEVELOPMENT CORPORATION OF ABILENE, INC.
PROJECT EVALUATION COMMITTEE MEETING**

August 12, 2009

MEMBERS PRESENT: Paul Cannon
Charlie Black
Mike Schweikhard
Tucker Bridwell
Dani Ramsay
John Stearns
Ray Ferguson

MEMBERS ABSENT: None.

STAFF PRESENT: Richard Burdine, Asst. City Mgr.
Kim Tarrant, Contracts Admin.
Christi Thompson, Internal Audit
Don Green, Director of Aviation
Melissa Murphy, Airport Business Development Mgr.

GUESTS PRESENT: Judy Wilhelm, SBDC
Russ Altman, SBDC
Bill Ehrie, Abilene Industrial Foundation
Gary Robinett, Abilene Industrial Foundation
Mike McMahan, Abilene Chamber of Commerce

The meeting was opened at 10:05 a.m. in the Develop Abilene Conference Room, 174 Cypress, 3rd floor, and Dani Ramsay was elected Chairperson.

Kim Tarrant (Contracts Administrator) and Christi Thompson (City of Abilene Internal Auditor) visited the Texas Tech University Small Business Development Center (SBDC) and Abilene Industrial Foundation (AIF) during July 2009.

Christi Thompson also conducted an audit of the Department of Economic Development Business Services Division and the Abilene Regional Airport Business Development program. A physical audit of records of the Abilene Chamber of Commerce Military Affairs Committee was not conducted because no reimbursement requests were submitted during the reporting period of October 1, 2008 through June 30, 2009.

The audits were conducted to determine compliance with contract performance objectives. Based on the reports submitted to the Committee, the AIF, SBDC, Chamber of Commerce for Military Affairs, Airport Business Development, and City of Abilene for Business Services appear to be in substantial compliance with all performance objectives as stated in the respective contracts.

Representatives from each of the contracting agencies were available to answer questions.

The Committee reviewed the monitoring reports submitted by Mrs. Tarrant and Miss Thompson. The Committee concurred with the reports that all of the contract agencies are in substantial compliance with

the contracts. The Committee also expressed satisfaction with performance under the contracts as follows:

1. Abilene Industrial Foundation/Abilene Chamber of Commerce Military Affairs Committee

Comments: The AIF's marketing expenses are low to this point; however, most of the expenses hit toward the end of the fiscal year. In addition, now that Spec 3 is completed, marketing efforts will be increased to find an occupant. The AIF continues to have a relationship with Melissa Boisvert to prepare and follow-through with a Census 2010 Complete Count Plan, whereby she will determine ways to better promote the 2010 Census. The reason for the efforts to ensure an accurate population count in 2010 is because it is believed the 2000 census was incorrect in that it indicated a declining population. Many prospects want to see evidence that the Abilene workforce is not declining. Also, the amount of federal monies and programs Abilene may be eligible for depends directly on the population count.

The military consultants, Rich J. Leidl, PC and Team Concepts are contracted with each year to ensure Dyess is not overlooked in Federal funding appropriations and other gains. Both consultants will present a report to the DCOA board during the August 18, 2009 meeting.

The Military Affairs Committee supports the troops; however, the DCOA funding supports only the business side of the Committee's efforts to protect Dyess and Abilene's return on investment. For the fourth year in a row, the Military Affairs Committee was provided the opportunity to host a social event on the lawn of the home of the Chief of Staff of the Air Force. The event is dubbed "A West Texas Cowboy Cookin" held on Friday, July 31, 2009, and was well attended by current and future Air Force leaders.

Recommendation: Renew a combined contract for one-year period.

2. TTU Small Business Development Center

Comments: The contract is strictly performance-based in that the DCOA only reimburses for actual counseling hours spent with Abilene-based clients. The DCOA reimburses the SBDC at the rate of \$75/counseling hour. There are currently 3 full-time and 1 part-time counselors on staff, along with 1 administrative coordinator, and the Director.

Staff has seen an increase in the number of clients wishing to start a business; however, the number of jobs being created is less than a year ago. The main reason for this trend is people that have lost their job are opening web-based companies and typically employ only themselves or possibly one other person. Staff is also seeing an increase in the number of well-established companies that are faced with late-paying clients or those demanding discounts in exchange for orders.

Staff is seeing increasing interest in social networking venues as ways to market their

business. Workshops are conducted free-of-charge to educate clients of the benefits of using social networking. The SBDC recently purchased software to assist clients and local banks with SBA loan packaging.

Recommendation: Renew contract for one-year period.

4. **City of Abilene-Airport Business Development Management**

Comments: The FY09 contract in the amount of \$131,800 (\$61,800 for operating support, \$40,000 for an air service consultant, and \$30,000 for advertising campaign). The Airport has increased its advertising to include local television stations, Suddenlink and FOX TV in an effort to inform the public of the benefits of flying from Abilene rather than driving. Staff has increased its number of speaking engagements to local and surrounding area civic clubs to get the message out. The VIP Rewards Program has been hugely successful. Despite the loss of air service from Continental Airlines, American Eagle agreed and has honored a commitment to hold its fares down. Total enplanements year-to-date are down about 12%; however, American Eagle enplanements are up by about 5%.


Recommendation: Renew contract for one-year period.

5. **City of Abilene for Business Services**

Comments: The DCOA contracts with the City of Abilene to provide staff and specific services necessary for daily operations of the DCOA's business. The Department of Economic Development works with other City departments such as Finance/Accounting and Legal to track project expenditures and ensure adequate documentation of the DCOA's commitments. One finding was identified concerning the documentation of an earned principal reduction for Rentech Boiler Systems, which was corrected and reported by staff in July 2009. The DCOA is included in the annual audit of the City of Abilene. It was suggested that staff begin reporting DCOA expenditure activity by business sector to provide a comparison to the AIF's business recruitment and identify a synergy of efforts.

Recommendation: Renew contract for one-year period.

There being no further business, the meeting was adjourned.



Dani Ramsay, Chairperson

DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD AGENDA
MEETING DATE: August 18, 2009

PROJECT: Recommendations from the Budget & Finance Committee

FROM: Richard Burdine, CEO

GENERAL INFORMATION:

On August 12, 2009, the DCOA's Budget & Finance Committee met to hear funding proposals for the coming fiscal year from the Abilene Industrial Foundation, Inc. (AIF), Texas Tech Small Business Development Center (SBDC), Chamber of Commerce Military Affairs Committee, City of Abilene Airport Business Development Management Program, and City of Abilene Business Services.

SPECIAL CONSIDERATIONS:

Members of the Budget & Finance Committee that attended the 8-12-09 meeting are Mike Schweikhard, Charlie Black, Ray Ferguson, Tucker Bridwell, John Stearns, Dani Ramsay and Paul Cannon. Attached are minutes from the Committee meeting, which include recommendations concerning funding for Fiscal Year 2010. Dani Ramsay was elected chairperson and will present a report from the Committee during the meeting.

For FY10, Economic Development staff requests the board again authorize \$150,000 for property maintenance issues related to DCOA-owned assets. Also, \$86,290 is needed to pay property insurance premiums for DCOA-owned real estate covered under the City's self-insurance plan. The deductible for each occurrence is \$250,000. These two budget items are standard and are requested each year. An additional request of \$48,480 for FY09 and \$233,810 for FY10 is presented for approval for the Business Services division of the City to provide maintenance funding for the Abilene Life Sciences Accelerator (ALSA) properties at 842 and 1325 Pine.

FUNDING/FISCAL IMPACT:

Fiscal Year 2010 Contractual Relationships:		Other:	
AIF	\$ 764,881	DCOA Property Maint.	\$150,000
SBDC	\$ 195,000	ALSA Property Maint.	\$233,810
Military Affairs	\$ 70,000	Property Ins. Premium	<u>\$ 86,290</u>
City-Airport Business Dev Mgr	\$ 133,036	TOTAL	\$470,100
City-Business Services	<u>\$ 635,870</u>		
TOTAL	\$1,798,787		

STAFF RECOMMENDATION:

Staff recommends the Board receive the minutes from the Budget & Finance Committee, which include recommendations for FY10 funding and additional funding for FY09.

ATTACHMENT:

Minutes from Budget & Finance Committee meeting on 8-12-09.
Proposed Budget for FY10, including projected revenues.

DEVELOPMENT CORPORATION OF ABILENE, INC.
BUDGET & FINANCE COMMITTEE MEETING
August 12, 2009

MEMBERS PRESENT: Charlie Black
Paul Cannon
Mike Schweikhard
Tucker Bridwell
Dani Ramsay
John Stearns
Ray Ferguson

MEMBERS ABSENT: None.

STAFF PRESENT: Richard Burdine, Eco. Dev.
Kim Tarrant, Eco. Dev.
Christi Thompson, Internal Audit
Don Green, Airport
Melissa Murphy, Airport

GUESTS PRESENT: Bill Ehrie, AIF
Gary Robinett, AIF
Mike McMahan, Abilene Chamber of Commerce
Judy Wilhelm, SBDC
Russ Altman, SBDC

Kim Tarrant opened the meeting at approximately 10:40 a.m. in the Develop Abilene Conference Room at 174 Cypress, 3rd Floor. Dani Ramsay was elected Chairperson. The following agencies have requested funding for Fiscal Year 2010 beginning 10-1-09 and ending 9-30-10.

1. ABILENE INDUSTRIAL FOUNDATION (operations, marketing, Dyess consultants and Census 2010 consultant)

Comments: Bill Ehrie, President of the Abilene Industrial Foundation (AIF), explained the budget for FY10. The Dyess consultants (Rich J. Leidl, P.C. and Team Concepts) contracts are not increasing for FY10, and they will be in Abilene on Tuesday, August 18th to brief the DCOA on their activities. Operating funds request increased by \$3,671 to \$423,381 due to increased staffing expenses. Excluded from the operating funds request are 4 line items that are funded by donations to the AIF: Pledge Drive Expense, Legislative, Sundry and Governmental Affairs. The marketing ad campaign request remains at the current rate of \$140,000. Focus will remain on finding a tenant for Spec 3 and tenants for the Abilene Life Sciences Accelerator.

The contract with Melissa Boisvert for the Census 2010 Complete Count Plan continues through June 2010 at \$31,000. Included in the marketing request of \$140,000 is \$10,000 to assist with an overall Census 2010 marketing budget of \$78,000. The City of Abilene agreed to pay ½ of the budget and Ms. Boisvert will solicit in-kind contributions from the community to make-up some of the difference.

The budget request for FY10 in the amount of \$764,881 includes \$423,381 for operating expenses, \$140,000 for marketing, \$31,000 for the Census 2010 contract, and \$170,500 for subcontracts with Rich J. Leidl, P.C. and Team Concepts.

Recommendation: The Committee **recommends approval** of funding for FY10 in the amount of \$764,881.

2. MILITARY AFFAIRS COMMITTEE (reimbursement for actual expenses)

Comments: Mike McMahan, Abilene Chamber of Commerce, explained the Military Affairs Committee tries not to submit reimbursement requests to the DCOA until there is a significant amount to request. The largest request will come soon for expenses related to the big Air House barbeque event held on July 31st. The flexibility afforded the Committee by the DCOA funding allows them to visit the Pentagon at least twice per year but also as needed when issues arise. The Military Affairs Committee is made up of volunteers who pay dues and donate their time to support Dyess.

The Chamber is again requesting funding of \$70,000 for FY10.

Recommendation: The committee **recommends approval** of funding in the amount of \$70,000 for FY 2010.

3. TEXAS TECH UNIVERSITY SMALL BUSINESS DEVELOPMENT CENTER (counseling reimbursement):

Comments: Judy Wilhelm, Director of the SBDC, explained the basis for a request for funding in the amount of \$195,000 to support operations of the Center in conjunction with state and federal funding. The new request is for reimbursement at the current rate of \$75/counseling hour. Funding typically runs out in July or August of each year, and staff may request an increase in funding next year. The relationship shared by the DCOA and SBDC is unique from any other SBDC across the country. Other SBDC's call to inquire about this funding structure and close working relationship.

Recommendation: The committee **recommends approval** of funding in the amount of \$195,000 for FY 2010.

4. CITY OF ABILENE – AIRPORT BUSINESS DEVELOPMENT MANAGEMENT

Comments: Don Green, Director of Aviation, explained the basis for a request for funding in the amount of \$133,036, an increase of \$1,236 over the current FY09 contract amount. The breakdown includes \$63,036 for salaries and benefits for the Business Development Manager, \$40,000 for air service consulting services, and \$30,000 for an advertising campaign using a variety of medium. Staff is considering using social networking to help market the Airport. A new air service consultant, Meade & Hunt, was selected to replace SABRE. The catchment area was reduced this year from 32 to 16 counties. More than 600 passengers signed up for the VIP Rewards program and over 300 rewards have been

mailed out since January 2009.

Recommendation: The committee **recommends approval** of funding in the amount of \$133,036 for FY2010.

5. CITY OF ABILENE - BUSINESS SERVICES

Comments: Richard Burdine explained the proposed FY10 budget amount for the Business Services division (2760) of the City of Abilene in the total amount of \$636,870 represents an increase of \$18,030 over the budget for FY09. The DCOA's portion of the annual contract between the City of Abilene and National Development Corporation will increase in FY10 from \$20,000 to \$40,000. In addition, the 5th position in Economic Development funded from Division 2760 remains vacant; however, depending on what happens with the operation of the Abilene Life Sciences Accelerator, the vacant position could soon be filled.

Each year, staff requests funding to maintain the DCOA's properties in the amount of \$150,000. Another \$86,290 is being requested to insure the DCOA's properties under the City's self-insurance program. A new budget request for Revised FY09 and Proposed FY10 is funding to maintain the two Abilene Life Sciences properties at 842 and 1325 Pine in the amounts of \$48,480 and \$233,810, respectively.

Recommendation: The Committee **recommends approval** of funding in the amount of \$636,870 for FY10 operating expenses of the Business Services Division of the City of Abilene. Also recommended is \$150,000 to maintain the DCOA's properties, \$86,290 to insure those properties, and \$233,810 to maintain the Abilene Life Sciences properties at 842 and 1325 Pine.

Also recommended is additional funding of \$48,480 to fund building maintenance expenses for 842 Pine during FY09.

There being no further business, the meeting was adjourned.



Dani Ramsay, Chairperson

**DEVELOPMENT CORPORATION OF ABILENE, INC.
BUDGET FOR FY 2010**

CASH & INVESTMENTS BALANCE at 6-30-09 \$9,812,016

PLUS: Projected Revenue (remainder '09)

1/2 Cent Sales Tax	\$2,262,136	
Investment Pool Revenue-earnings on cash invested	48,975	
Interest Income-outstanding loans	1,985	
Principal Recovery-outstanding loans	182,402	
Building/Land Rental-DCOA properties	155,335	
Misc. Income	0	
TOTAL	2,650,833	

LESS: Estimated Expenditures (remainder '09)

NEW Property Mgmt - Life Sciences properties (2765)	48,480	
Current Encumbrances @ 33% (conservative estimate)	5,926,639	
Projects Pending Contracts @ 33% (conservative est.)	986,552	
TOTAL	6,961,671	

UNENCUMBERED CASH BALANCE at 10-1-09 (est.): \$5,501,178

Projected Revenue FY10

1/2 Cent Sales Tax	9,026,010	
Investment Pool Revenue-earnings on cash invested	93,770	
Interest Income-outstanding loans	89,520	
Principal Recovery-outstanding loans	627,940	
Building Rental	984,240	
Land Leases-Ag. lease on DCOA-owned land	1,520	
Misc. Income	200	
TOTAL REVENUE	\$10,823,200	

Projected expenditures FY10

Property Mgmt. Exp.-DCOA properties (2775)	150,000	
Property Mgmt - Life Sciences properties (2765)	233,810	
Property Damage Ins. Prem.-DCOA properties	86,290	
Obligations - Current projects @ 33%	5,926,639	
Projects Pending Contracts @ 33%	986,552	
TOTAL	7,383,291	

Contractual Relationships FY10

City of Abilene - Business Services	635,870	
Abilene Industrial Foundation-ops., mrktg., contracts	764,881	
Small Business Development Cntr-Abilene hours	195,000	
Chamber Military Affairs Committee-travel expenses	70,000	
Airport Business Development Mgmt	133,036	
TOTAL	1,798,787	

TOTAL EXPENDITURES \$9,182,078

PROJECTED UNOBLIGATED CASH BALANCE AT 9-30-10 \$7,142,299