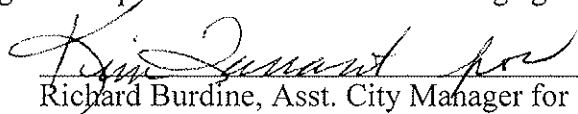


PUBLIC NOTICE

DEVELOPMENT CORPORATION OF ABILENE, INC.

A regular meeting of the Development Corporation of Abilene, Inc. will be held on Tuesday, August 24, 2010, 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 24, 2010
1:30 p.m.

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

1. Call the meeting to order.
2. Presentation of a Certificate of Appreciation to former board member, Joe Crawford.
3. Approval of minutes from the August 10, 2010, board meeting.
4. Sales tax report for August 2010 and Status of Funds report for July 2010.
5. Presentation and possible approval of report from the *Project Evaluation Committee* on Fiscal Year ("FY") 10 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
6. Presentation and possible approval of report from the *Budget & Finance Committee* concerning funding proposals for FY 2011:
 - 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
7. Public hearing: funding proposals and proposed budget for FY 2011.
8. Discussion and possible approval of funding requests and proposed budget for FY 2011.

9. Presentation of annual report by Mike McMahan, President of the Abilene Chamber of Commerce, from Rich J. Leidl, P.C. and Team Concepts.
10. 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.
11. 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 _____, 2010, 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 10, 2010

MEMBERS PRESENT:	Paul Cannon Marelyn Shedd Dani Ramsay	Mike Schweikhard Scott Senter
STAFF PRESENT:	Richard Burdine Dan Santee	Kim Tarrant Mike Rains
GUESTS PRESENT:	Jaime Adame	Abilene Reporter-News

- 1. CALL TO ORDER.** Paul Cannon called the meeting to order at 1:30 p.m. in the Develop Abilene conference room located at 174 Cypress Street, 3rd floor, Abilene, TX.
- 2. APPROVAL OF MINUTES FROM THE JULY 27, 2010 BOARD MEETING.** Scott Senter moved to approve the minutes from the July 27, 2010 board meeting. Marelyn Shedd seconded and the motion carried.
- 3. STATUS OF FUNDS REPORT FOR JUNE 2010.** Mike Rains, Assistant Director of Finance, reported the DCOA's fixed assets were 49% of total assets as of June 30, 2010. Forty-eight percent of total assets were comprised of cash, investments and notes receivable. City sales tax revenue (representing April sales) totaled \$612,963 for economic development. Expenditures totaled \$541,693 with most of this being spent on PWP, Life Sciences Accelerator and hangar floor repainting for Eagle Aviation. The DCOA had an undesignated fund balance of nearly \$13.8 million.
- 4. DISCUSSION OF STRATEGIC PLANNING ISSUES.** The state of the economy was briefly discussed. A survey conducted by the Avalanche Economic Development consulting group was reviewed. Participants in the survey included economic development professionals from across the nation, and results were varied depending on the region. Respondents ranged from small communities to the larger urban areas. Overall, activity is on the rise nationally and local communities remain optimistic about conditions continuing to improve.

A draft of a Public Information Plan (PIP) was reviewed. Its objective is to better inform the public of Abilene's economic development programs and the actions of the DCOA. Venues include print media, video (utilizing YouTube, Suddenlink On-Demand, Channel 7) and the Internet, building on City resources already in place. Also reviewed was a standard format draft of a press release that will be provided to the media after the board acts to help ensure accurate information is printed and reported on TV. Discussion followed on additional information to include in the PIP. Several ideas were offered on video length, content and format such as interviews and Power Point presentations.

Also mentioned were ideas on how to update the public on specific dollar amounts of DCOA financial assistance to companies and the terms of assistance; i.e. job creation and capital investment. Also discussed was whether to require companies to sign an agreement for financial assistance before presenting to the DCOA Board for consideration so that the company name can be announced as soon as the Board approves assistance.

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 Paul Cannon announced the date is August 10, 2010, and the time is 2:36 p.m. Mr. Cannon then announced the date is still August 10, 2010, and the time is 3:51 p.m. No vote or action was taken in Executive Session.

6. **CONSIDERATION OF POSSIBLE ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION.** There was no action taken on this agenda item.

7. **ADJOURNMENT.** The next regularly scheduled meeting is August 24th.

Paul Cannon, President

MEMORANDUM

August 11, 2010

TO: Larry D. Gilley, City Manager
FROM: Mindy Patterson, Director of Finance
SUBJECT: August Sales Tax

The sales tax rebate for August is \$3,316,750.67 which represents June sales. This is 3.77% above last year. The breakdown of the August rebate is \$2,487,563.00 to the General Fund and \$829,187.67 for economic development. Of this rebate, \$110,119 is from prior periods, audit payments, future payments, and unidentified payments. Based on this rebate, sales tax is 4.02% below 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

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

Accounting Period Month	Actual 2008-09	Actual 2009-10	% Change
October	\$703,442	\$671,904	-4.48%
November	893,442	758,231	-15.13%
December	707,339	602,230	-14.86%
January	660,623	594,761	-9.97%
February	955,889	898,241	-6.03%
March	602,464	618,659	2.69%
April	616,560	601,410	-2.46%
May	793,424	814,964	2.71%
June	653,711	612,963	-6.23%
July	598,036	660,806	10.50%
August	799,090	829,188	3.77%
YTD	<u>\$7,984,020</u>	\$7,663,357	-4.02%
September	<u>653,828</u>		
FY TOTAL	<u>\$8,637,848</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 August '10 represents June '10 sales. Approximately
\$27,530 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.

4.2

**CITY OF ABILENE
SALES TAX COMPARISION**

Accounting Period Month	GENERAL FUND	ECONOMIC DEVELOPMENT	TOTAL	GENERAL FUND	ECONOMIC DEVELOPMENT	TOTAL
	Actual 2008-09	Actual 2008-09		Actual 2009-10	Actual 2009-10	
October	\$2,110,326.56	\$703,442.19	\$2,813,768.75	\$2,015,713.10	\$671,904.36	\$2,687,617.46
November	2,680,326.85	893,442.28	3,573,769.13	2,274,694.28	758,231.42	3,032,925.70
December	2,122,016.60	707,338.86	2,829,355.46	1,806,689.71	602,229.90	2,408,919.61
January	1,981,869.70	660,623.23	2,642,492.93	1,784,282.81	594,760.94	2,379,043.75
February	2,867,665.67	955,888.56	3,823,554.23	2,694,722.33	898,240.78	3,592,963.11
March	1,807,393.10	602,464.36	2,409,857.46	1,855,978.16	618,659.39	2,474,637.55
April	1,849,680.13	616,560.04	2,466,240.17	1,804,229.03	601,409.68	2,405,638.71
May	2,380,270.93	793,423.64	3,173,694.57	2,444,890.66	814,963.55	3,259,854.21
June	1,961,132.05	653,710.68	2,614,842.73	1,838,890.30	612,963.43	2,451,853.73
July	1,794,109.23	598,036.41	2,392,145.64	1,982,419.12	660,806.37	2,643,225.49
August	2,397,269.11	799,089.70	3,196,358.81	2,487,563.00	829,187.67	3,316,750.67
YTD	<u>\$23,952,059.93</u>	<u>\$7,984,019.95</u>	<u>\$31,936,079.88</u>	<u>\$22,990,072.50</u>	<u>\$7,663,357.49</u>	<u>\$30,653,429.99</u>
September	<u>1,961,484.00</u>	<u>653,828.00</u>	<u>2,615,312.00</u>			
FY TOTAL	<u>\$25,913,543.93</u>	<u>\$8,637,847.95</u>	<u>\$34,551,391.88</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.

CITY OF ABILENE, TEXAS

DEVELOPMENT CORPORATION OF ABILENE, INC.

Balance Sheet

July 31, 2010

ASSETS:

Cash and Investments	\$13,291,417
Notes receivable	16,195,182
Accounts receivable	34,586
Due from other governments	1,421,391
Total Current Assets	<u>\$30,942,576</u>

OTHER ASSETS:

Fixed assets	\$34,167,977
Accumulated depreciation	(4,349,765)
Total Other Assets	<u>29,818,212</u>

TOTAL ASSETS

\$60,760,788

LIABILITIES:

Vouchers payable	\$117,381
Deferred revenues	171,704
Notes Payable	321,082
Total Liabilities	<u>\$610,167</u>

FUND BALANCES:

Investment in general fixed assets	\$29,818,212
Reserved for contractual obligations(external)	16,358,128
Reserved for obligated programs(internal)	29,553
Undesignated Balance	13,944,728
Total Fund Balance	<u>\$60,150,621</u>

TOTAL LIABILITIES AND FUND BALANCES

\$60,760,788

FIXED ASSETS:

	<u>Original Cost</u>	<u>Improvements</u>	<u>Depreciation</u>	<u>Total</u>
Land:				
473.405 acres - Five Pts Bus Park	\$507,681			\$507,681
303.53 acres Hwy 36 & FM 18	449,238			449,238
122 acres - N Five Pts	482,238			482,238
5.6 acres UPS	69,217			69,217
Buildings and Improvements:				
2601 Airport Blvd.	1,563,210	540,633	366,662	1,737,181
2809 Airport Blvd.	396,519	444,583	327,102	514,000
2841 Airport Blvd.	456,736	62,923	283,048	236,611
4002 Loop 322	1,290,916	2,384,892	1,352,552	2,323,256
Five Pts Bus Park	0	8,227,561	399,534	7,828,027
6450 Five Points Parkway	5,809,354	7,016,797	1,018,399	11,807,752
Grant Bldg 341 Pine	147,194	405,726	203,996	348,924
2742 Lance Dr. (EASI Storage)	2,527,408	9,987	253,174	2,284,221
4109 Vine St	583,524	180,855	66,986	697,393
4009 Vine St	583,524	0	58,353	525,171
Equipment	9,250	0	5,550	3,700
Vehicle: 2005 Dodge Caravan	18,011	0	14,409	3,602
TOTAL FIXED ASSETS	<u>\$14,894,020</u>	<u>\$19,273,957</u>	<u>\$4,349,765</u>	<u>\$29,818,212</u>

DEVELOPMENT CORPORATION OF ABILENE
STATUS OF FUNDS @ JULY 31, 2010

	Object	Beginning I-T-D Revenues	Current Month Revenues	Current FY Revenues	(MARCH, 1990) Ending I-T-D Revenues
REVENUE-TO-DATE					
City Sales Tax	3131	\$ 119,897,206.99	\$ 656,761.20	\$ 6,790,167.11	\$ 126,687,374.10
Sales Tax Retained	3132	345,869.34	4,045.17	44,002.71	389,872.05
Other Services Charges	3731	25.00	-	-	25.00
Princ. - Loans & Assess	3775	3,087,911.90	-	8,912.66	3,096,824.56
Int. - Loans & Assess	3802	2,095,195.57	404.82	70,829.67	2,166,025.24
Interest	3803	6,661,950.13	5,524.26	36,846.99	6,698,797.12
Land Lease	3810	13,835.41	-	852.00	14,687.41
Building/Space Rent	3816	4,411,178.77	75,946.50	749,182.35	5,160,361.12
City Pay Phones	3890	9,170.58	-	-	9,170.58
Miscellaneous Revenue	3892	30,238.49	-	26,492.05	56,730.54
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	1,916,652.91	-	-	1,916,652.91
Miscellaneous Prior Year	3840	16,464.88	979.50	11,255.50	27,720.38
DCOA Admin	3847	7,070.55	-	-	7,070.55
Other Contributions	3860	96,866.60	-	-	96,866.60
Donation	3869	43,846.00	-	-	43,846.00
Sale of Land	3870	273,554.84	-	-	273,554.84
Sale of Buildings	3871	3,367,443.31	-	-	3,367,443.31
Sale of Equipment	3872	608,882.88	-	-	608,882.88
Gain (loss) Sale of Asset	3873	555,393.43	-	-	555,393.43
Miscellaneous Damage Claims	3889	1,173.04	-	-	1,173.04
Miscellaneous Revenue	3892	767,389.00	-	-	767,389.00
GASB 22 Restatement		355,634.89	-	-	355,634.89
GASB 34 FY 03 Adjustment		523,718.93	-	-	523,718.93
GASB 34 FY 08 Adjustment		44,606.57	-	-	44,606.57
GASB 34 FY 09 Adjustment		1,150,003.47	-	-	1,150,003.47
		<u>\$ 149,211,302.08</u>	<u>\$ 743,661.45</u>	<u>\$ 7,738,541.04</u>	<u>\$ 156,949,843.12</u>

DEVELOPMENT CORPORATION OF ABILENE
STATUS OF FUNDS @ JULY 31, 2010

Project	Beginning I-T-D Expenditures	Current Month Expenditures	Current FY Expenditures	Ending I-T-D Expenditures	Outstanding Contracts
CONTRACTS ENCUMBERED/ EXPENDITURES-TO-DATE					
Prior Years Programs	\$ 69,771,751.71	\$ -	\$ -	\$ 69,771,751.71	
Business Services Division	Div 2760 7,300,492.68	54,792.38	474,488.95	7,774,981.63	4,200.01
Life Sciences Property - Pine	Div 2765 43,089.08	24,879.71	475,296.60	518,385.68	1,296.45
DCOA Annual Contracts	Div 2775 2,058,373.84	2,708.14	146,514.58	2,204,888.42	400.00
Abilene Industrial Foundation	2775-4950 11,896,940.09	13,795.23	539,827.45	12,436,767.54	230,134.45
TTU Small Business Dev Cntr	2775-4951 2,435,621.05	18,975.00	174,487.50	2,610,108.55	20,512.50
Chamber Military Affairs	2775-4952 1,150,052.19		15,335.52	1,165,387.71	54,664.48
Airport Business Dev Mgr	2775-4953 503,260.66	4,420.44	70,032.47	573,293.13	67,758.04
Murf Systems	4998 151,665.00	-	-	151,665.00	-
Bandag Training	5203 724,485.20	-	-	724,485.20	117,734.80
Sunoco Logistics	5208 227,000.00	-	-	227,000.00	-
EASI 04	5213 1,592,489.23	-	221,644.95	1,814,134.18	662,803.48
Fehr Food	5220 2,089,560.00	-	-	2,089,560.00	-
Bandag Building Improv	5228 -	-	-	-	44,259.24
Glazers Ph III	5229 65,620.00	-	-	65,620.00	25,380.00
Robinson Fan	5237 352,408.98	-	117,202.98	469,611.96	100,000.00
CBER Website	5240 7,067.07	-	-	7,067.07	1,249.93
TTU Pharmacy School	5242 328,464.00	-	-	328,464.00	-
Teleperformance USA	5247 274,530.00	-	95,750.00	370,280.00	386,720.00
PWP (Project LF)	5251 1,556,842.70	-	462,474.32	2,019,317.02	1,908,145.98
Integrated Clinic Research	5253 7,440.00	-	-	7,440.00	688,062.00
Genesis Network	5258 1,375,333.81	-	-	1,375,333.81	-
Carter Burgess	5260 323,815.00	-	6,667.09	330,482.09	(0.00)
Fehr Foods	5261 118,091.53	-	-	118,091.53	-
TMAC	5262 60,000.00	-	-	60,000.00	-
SBIR/STTR	5263 127,159.85	247.91	(45,190.44)	81,969.41	189,430.94
EASI 7th Doc	5265 239,175.14	-	-	239,175.14	34,081.10
BMWT Leasing	5266 50,000.00	-	25,000.00	75,000.00	-
ABTEX Beverage	5267 634,339.80	-	346,150.00	980,489.80	-
MSSC Training	5269 71,762.03	-	-	71,762.03	-
WTCIC	5272 16,582.00	-	25,000.00	41,582.00	-
TTU HSC Research	5273 679,455.00	-	(51,712.00)	627,743.00	2,372,257.00
Spec 2 Expansion A/E	5275 7,075,849.57	-	-	7,075,849.57	-
Spec 3 Construction	5276 5,429,725.65	-	2,595.00	5,432,320.65	304,179.35
Energy Maintenance Service	5282 -	-	155,456.39	155,456.39	1,262,543.61
Genesis Network Phase II	5284 -	-	7,725.00	7,725.00	827,409.90
Tower Tech	5285 846,499.60	-	882,466.78	1,728,966.38	3,213,759.22
Texas Metal 08	5288 -	-	41,628.67	41,628.67	15,770.07
TMAC 09	5289 15,000.00	-	11,000.00	26,000.00	34,000.00
Project BG	5295 -	-	-	-	748,000.00
Coca Cola Abilene	5296 -	-	-	-	900,000.00
ACU 09 Springboard	5297 5,000.00	-	-	5,000.00	-
Land 122 Acres N 5 Pts	5302 171,558.71	170,173.64	170,173.64	341,732.35	169,236.15
ETI Contract	5304 -	101,431.39	411,752.75	411,752.75	968,427.25
Life Sciences Accelerator- Ph 2	5305 -	-	1,410,090.34	1,410,090.34	49,134.66
EASI floor re-painting A/E	5306 -	36,374.02	157,875.64	157,875.64	93,838.36
TTU 842 Pine	5308 -	-	71,101.06	71,101.06	142,398.94
TTU Energy Contract	5309 -	-	50,000.00	50,000.00	-
Springboard 10	5311 -	-	5,000.00	5,000.00	-
AIC Eq Lease	5312 -	10,907.28	10,907.28	10,907.28	154,090.00
LM Wind Power	5314 -	-	-	-	566,250.00
Miscellaneous Activities	2785 354,189.86	-	-	354,189.86	-
TOTAL ENCUMB. / EXPENDITURES	\$ 120,130,691.03	\$ 438,705.14	\$ 6,486,742.52	\$ 126,617,433.55	\$ 16,358,127.91
TOTAL FUND BALANCE				\$ 30,332,409.57	
UNENCUMBERED FUND BALANCE					\$ 13,974,281.66

4.6

DEVELOPMENT CORPORATION OF ABILENE
STATUS OF FUNDS @ JULY 31, 2010

Project	Amount Obligated	Prior Years Disbursed	Current Month Disbursed	Current Year Disbursed	Amount Encumbered	Balance
BALANCE OF OBLIGATED PROGRAMS						
Business Services Division Div 2760	\$ 640,370.00	\$ -	\$ 54,792.38	\$ 474,488.95	\$ 4,200.01	\$ 161,681.04
Life Sciences Property -Pine Div 2765	233,810.00	-	24,879.71	475,296.60	1,296.45	(242,783.05)
DCOA Annual Contracts Div 2775	252,785.20	-	2,708.14	146,514.58	400.00	105,870.62
Abilene Industrial Foundation 2775-4950	769,962.00	-	13,795.23	539,827.45	230,134.45	0.10
TTU Small Business Dev Cntr 2775-4951	195,000.00	-	18,975.00	174,487.50	20,512.50	-
Chamber Military Affairs 2775-4952	70,000.00	-	-	15,335.52	54,664.48	-
Airport Business Dev Mgr 2775-4953	137,794.51	-	4,420.44	70,032.47	67,758.04	4.00
Murf Systems 4998	151,665.00	151,665.00	-	-	-	-
Bandag Training 5203	842,220.00	724,485.20	-	-	117,734.80	-
Sunoco Logistics 5208	227,000.00	227,000.00	-	-	-	-
EASI 04 5213	2,476,938.00	1,592,489.23	-	221,644.95	662,803.48	0.34
Fehr Food 5220	2,089,560.00	2,089,560.00	-	-	-	-
Bandag Building Improv 5228	44,260.00	-	-	-	44,259.24	0.76
Glazers Ph III 5229	91,000.00	65,620.00	-	-	25,380.00	-
Robinson Fan 5237	569,612.00	352,408.98	-	117,202.98	100,000.00	0.04
CBER Website 5240	8,317.00	7,067.07	-	-	1,249.93	-
TTU Pharmacy School 5242	328,464.00	328,464.00	-	-	-	-
Teleperformance USA 5247	757,000.00	274,530.00	-	95,750.00	386,720.00	-
PWP (Project LF) 5251	3,927,463.00	1,556,842.70	-	462,474.32	1,908,145.98	-
Integrated Clinic Research 5253	695,502.00	7,440.00	-	-	688,062.00	-
Genesis Network 5258	1,375,334.00	1,375,333.81	-	-	-	0.19
Carter Burgess 5260	330,483.00	323,815.00	-	6,667.09	(0.00)	0.91
Fehr Foods 5261	118,092.00	118,091.53	-	-	-	0.47
TMAC 5262	60,000.00	60,000.00	-	-	-	-
SBIR/STTR 5263	271,400.00	127,159.85	247.91	(45,190.44)	189,430.94	(0.35)
EASI 7th Doc 5265	273,257.00	239,175.14	-	-	34,081.10	0.76
BMWT Leasing 5266	75,000.00	50,000.00	-	25,000.00	-	-
ABTEX Beverage 5267	980,490.00	634,339.80	-	346,150.00	-	0.20
MSSC Training 5269	71,762.00	71,762.03	-	-	-	(0.03)
WTCIC 5272	41,582.00	16,582.00	-	25,000.00	-	-
TTU HSC Research 5273	3,000,000.00	679,455.00	-	(51,712.00)	2,372,257.00	-
Spec 2 Expansion A/E 5275	7,075,850.00	7,075,849.57	-	-	-	0.43
Spec 3 Construction 5276	5,736,500.00	5,429,725.65	-	2,595.00	304,179.35	(0.00)
Energy Maintenance Service 5282	1,418,000.00	-	-	155,456.39	1,262,543.61	-
Genesis Network Phase II 5284	835,135.00	-	-	7,725.00	827,409.90	0.10
Tower Tech 5285	4,947,500.00	846,499.60	-	882,466.78	3,213,759.22	4,774.40
Texas Metal 08 5288	57,399.00	-	-	41,628.67	15,770.07	0.26
TMAC 09 5289	60,000.00	15,000.00	-	11,000.00	34,000.00	-
Run Energy 5295	748,000.00	-	-	-	748,000.00	-
Coca Cola Abilene 5296	900,000.00	-	-	-	900,000.00	-
ACU 09 Springboard 5297	5,000.00	5,000.00	-	-	-	-
Land 122 Acres N 5 Pts 5302	510,968.00	171,558.71	170,173.64	170,173.64	169,236.15	(0.50)
ETI Contract 5304	1,380,180.00	-	101,431.39	411,752.75	968,427.25	-
Life Sciences Accelerator- Ph 2 5305	1,459,225.00	-	-	1,410,090.34	49,134.66	(0.00)
EASI floor re-painting A/E 5306	251,714.00	-	36,374.02	157,875.64	93,838.36	-
TTU 842 Pine 5308	213,500.00	-	-	71,101.06	142,398.94	-
TTU Energy Contract 5309	50,000.00	-	-	50,000.00	-	-
Springboard 10 5311	5,000.00	-	-	5,000.00	-	-
AIC Equipment Lease/Purchase 5312	165,000.00	-	10,907.28	10,907.28	154,090.00	2.72
LM Wind Power 5314	566,250.00	-	-	-	566,250.00	-
Miscellaneous Activities 2785	354,189.86	354,189.86	-	-	-	-
BALANCE OF OBLIGATED PROGRAMS	\$ 47,845,533.57	\$ 24,971,109.73	\$ 438,705.14	\$ 6,486,742.52	\$ 16,358,127.91	\$ 29,553.41

UNDESIGNATED FUND BALANCE

(unencumbered balance less obligated programs and contingent liabilities)

\$ 13,944,728.25

DCOA Board approved projects waiting for signed contracts

Expiration Date

Long Performance Advisors 5307	8,000.00	05/24/2010
Project RC 5310	15,000.00	06/17/2010
Project JD 5313	105,250.00	10/15/2010
Project NA 5315	120,000.00	11/25/2010
Project BW 5316	744,105.00	12/08/2010
Texas Metals 5317	44,500.00	11/13/2010
Cisco College biotech training 5318	67,650.00	01/27/2011
	<u>1,104,505.00</u>	

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DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD AGENDA
MEETING DATE: August 24, 2010

PROJECT: **Recommendations from Project Evaluation Committee**

FROM: **Richard Burdine, CEO**

GENERAL INFORMATION:

The Project Evaluation Committee of the DCOA met on August 17, 2010, 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 8-17-10 meeting are Scott Senter, Marelyn Shedd, Ray Ferguson, Tucker Bridwell, and John Stearns. Attached are minutes from the Committee meeting, which include recommendations concerning renewal of existing contracts for Fiscal Year 2011. Scott Senter was elected Chairperson, and 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 FY11.

ATTACHMENT:

Minutes of Project Evaluation Committee meeting dated 8-17-10.

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DEVELOPMENT CORPORATION OF ABILENE, INC.
PROJECT EVALUATION COMMITTEE MEETING

August 17, 2010

MEMBERS PRESENT: Scot Senter
 Marelyn Shedd
 Tucker Bridwell
 John Stearns
 Ray Ferguson

MEMBERS ABSENT: Dave Copeland

STAFF PRESENT: Kim Tarrant, Business Services Manager.
 Christi Thompson, Internal Audit
 Don Green, Director of Aviation
 Melissa Murphy, Airport Business Development Mgr.

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

The meeting was opened at 3:30 p.m. in the Develop Abilene Conference Room, 174 Cypress, 3rd floor, and Scott Senter was elected Chairperson.

Kim Tarrant (Business Services Manager) and Christi Thompson (City of Abilene Internal Auditor) visited the Texas Tech University Small Business Development Center (SBDC) and Abilene Industrial Foundation (AIF) during August 2010.

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 each reimbursement request includes copies of invoices to evidence the charges.

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 Military Affairs Committee, 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. 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

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SBDC at the rate of \$75/counseling hour for a total of 2,600 counseling hours. There are currently 3 full-time and 1 part-time counselors on staff, along with 1 administrative coordinator, and the Director. The DCOA's funding level of \$195,000 annually hasn't changed in about 6 years, despite the number of eligible counseling hours exceeding the contract for almost every year since. For FY11, the request increases to \$250,000 to compensate for the loss of funding from the state and the West Texas Coalition for Innovation and Commercialization (WTCIC).

SBDC staff has seen a decrease in the number of clients opening businesses, and the ones that are create fewer jobs. Returning clients are requesting assistance with selling or buying an existing business. Many hours are spent working with existing businesses to revamp their business plan in order to stay competitive in the current business climate.

The SBDC purchased software to assist clients and local banks with SBA loan packaging. The Committee commented on the good work the SBDC does to help banks with SBA loans. The SBA recently conducted a matchmaking seminar to bolster Dyess AFB's use of local contractors and vendors.

Recommendation: Renew contract for one-year period.

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

Comments: The AIF has experienced increased prospect activity over last year. They also increased the retention visits made to local companies and the number of ads placed in publications. Much of the marketing effort focuses on possible tenants for the Spec 3 building in the Five Points Business Park. The contract with Melissa Boisvert to prepare and follow-through with a Census 2010 Complete Count Plan expired in May 2010. Mrs. Boisvert reported a 74% mail-back response rate, which outpaced other communities this size in Texas.

The Military Affairs Committee supports the troops; however, the DCOA funding supports only the business side of the Committee's efforts to protect Dyess AFB and Abilene's return on investment. After 4 years in a row of hosting the "A West Texas Cowboy Cookin" barbeque, a social event on the lawn of the home of the Chief of Staff of the Air Force, the event was deferred this year by the Air Force. The Committee is seeking other venues for the event because of the importance of engaging decision makers in Washington through social events such as this.

Dyess AFB received in April 2010 its first C-130J model. Twenty-seven more are scheduled to arrive by 2013, which will replace the aging C-130H models currently in service. The J model has much greater capabilities, is more efficient, has better avionics, and will require 2 fewer crew members than the H model. A series of senior Air Force leaders are being scheduled to accompany the additional J models, and the Committee will work to make sure Dyess is postured for readiness to make the best possible impression.

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

3. City of Abilene-Airport Business Development Management

Comments: The FY10 contract in the amount of \$133,036 includes \$40,000 for an air service consultant. Staff expects that about \$30,000 of that allocation will not be used. Other funding includes \$63,036 for operating support, and \$30,000 for an advertising campaign using various media from publications to promotional events. The VIP Rewards Program had another good year and three grand prizes were awarded earlier in the year. Efforts are ongoing to gain air service to the West.

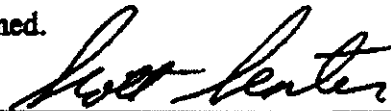
Recommendation: Renew contract for one-year period.

4. 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. There are currently 15 loans outstanding from companies assisted by the DCOA, and all are direct loans in that none are participations with local financial institutions. The DCOA has assisted with educational and job training needs by providing funds to ACU's School of Business Center for Business and Economic Research for its regional website, TSTC for its culinary arts program, and Texas Tech University for its wind energy research and development program.

Recommendation: Renew contract for one-year period.

There being no further business, the meeting was adjourned.



Scott Senter, Chairman

DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD AGENDA
MEETING DATE: August 24, 2010

PROJECT: Recommendations from the Budget & Finance Committee

FROM: Richard Burdine, CEO

GENERAL INFORMATION:

On August 17, 2010, 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 (Economic Development).

SPECIAL CONSIDERATIONS:

Members of the Budget & Finance Committee that attended the 8-17-10 meeting are Scott Senter, Marelyn Shedd, Ray Ferguson, Tucker Bridwell, and John Stearns. Attached are minutes from the Committee meeting, which include recommendations concerning funding for Fiscal Year 2011 and revised funding for FY10. Scott Senter was elected chairperson and will present a report from the Committee during the meeting.

For FY11, 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 increase in the current year budget for maintenance of the Abilene Life Sciences Accelerator and lab at 842 Pine is included. The FY10 revised request increases by \$496,035 from \$233,810 to \$729,845 and reflects a better understanding of the maintenance requirements for laboratory type facilities.

FUNDING/FISCAL IMPACT:

Fiscal Year 2010 revised for Life Sciences facilities maintenance - \$496,035 increase.

Fiscal Year 2011 Contractual Relationships:

AIF	\$ 739,850
SBDC	\$ 250,000
Military Affairs	\$ 60,000
City-Airport Business Dev Mgr	\$ 163,830
City-Business Services	\$ 648,160
TOTAL	\$1,861,840

Other:

DCOA Property Maint.	\$150,000
ALSA Property Maint.	\$704,380
Property Ins. Premium	\$ 86,290
TOTAL	\$940,670

STAFF RECOMMENDATION:

Staff recommends the Board receive the minutes from the Budget & Finance Committee, which include recommendations for FY11 funding and additional funding for FY10.

ATTACHMENT:

Minutes from Budget & Finance Committee meeting on 8-17-10.
Proposed Budget for FY11, including projected revenues.

DEVELOPMENT CORPORATION OF ABILENE, INC.
BUDGET & FINANCE COMMITTEE MEETING
August 17, 2010

MEMBERS PRESENT: Scott Senter
Marelyn Shedd
Tucker Bridwell
John Stearns
Ray Ferguson

MEMBERS ABSENT: Dave Copeland

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

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

Kim Tarrant opened the meeting at approximately 4:15 p.m. in the Develop Abilene Conference Room at 174 Cypress, 3rd Floor. Scott Senter was elected Chairperson. The following agencies have requested funding for Fiscal Year 2011 beginning 10-1-10 and ending 9-30-11.

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

Comments: Judy Wilhelm, Director of the SBDC, explained the basis for a \$55,000 increase in her funding request for FY11 in the amount of \$250,000 to support operations of the Center in conjunction with state and federal funding. As always, the new request is for reimbursement at the rate of \$75/counseling hour, or 3,333 hours. Historically she has exceeded the maximum number of eligible counseling hours (2,600 hours) for which the previous funding level of \$195,000 reimbursed. The SBDC is also losing some state funding. The contract is strictly performance-based so that only those hours actually spent with clients are eligible for reimbursement.

Recommendation: The committee **recommends approval** of funding in the amount of \$250,000 for FY 2011.

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

Comments: Bill Ehrie, President of the Abilene Industrial Foundation (AIF), explained the budget request for FY11. Typical increased staffing costs are included, plus an anticipated rent increase. The Dyess consultants (Rich J. Leidl, P.C. and Team Concepts) contracts are not increasing (\$170,500), and the marketing request (\$140,000) stays flat as well.

The contract with Melissa Boisvert for the Census 2010 Complete Count Plan expired in May 2010 so no funding is requested for FY11.

The budget request for FY11 in the amount of \$739,850 includes \$429,350 for operating expenses, \$140,000 for marketing, and \$170,500 for subcontracts with Rich J. Leidl, P.C. and Team Concepts.

Recommendation: The Committee **recommends approval** of funding for FY11 in the amount of \$739,850.

3. MILITARY AFFAIRS COMMITTEE (reimbursement of actual expenses)

Comments: Mike McMahan, President of the Abilene Chamber of Commerce, explained the funding request of \$60,000 for activities of the Military Affairs Committee to maintain and build missions at Dyess AFB. The Dept. of Defense is making budget cuts, so the challenge for Dyess is to gain new missions in a shrinking military. The arrival in April of the first C-130J model marked the beginning of several visits to Dyess by senior Air Force leaders, for which the Committee will work to be prepared. The annual Air House barbeque event was not held this year, but will hopefully be held again in 2011. The flexibility afforded the Committee by the DCOA funding allows them to visit military leaders in various areas of the U.S. to keep them engaged on business matters concerning Dyess. The Military Affairs Committee is made up of volunteers who pay dues and donate their time to support Dyess.

Recommendation: The committee **recommends approval** of funding in the amount of \$60,000 for FY 2011.

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 \$163,828, an increase of \$30,792 over the current FY10 contract amount. The breakdown includes \$64,928 for salaries and benefits for the Business Development Manager, \$35,000 for air service consulting services, \$60,000 for an advertising campaign using a variety of medium, and \$3,900 for expenses for 2 staff members to attend the Network USA 2011 conference. The increase from FY10 is offset by the turning-back of about \$30,000 that will not be spent this year for air service consulting.

Recommendation: The committee **recommends approval** of funding in the amount of \$163,828 for FY2011.

5. CITY OF ABILENE - BUSINESS SERVICES

Comments: Kim Tarrant explained the proposed FY11 budget amount for the Business Services division (2760) of the City of Abilene in the total amount of \$648,160 represents an increase of \$12,290 over the budget for FY10 and is for salaries and benefits. The 5th position in Economic Development funded from Division 2760 remains vacant; however, another Construction Project Manager position was recently posted to help manage the DCOA-owned buildings plus the two new Life Sciences facilities on

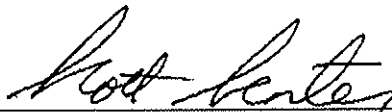
Pine St.

Each year, staff requests funding in Division 2775 to maintain the DCOA's properties in the amount of \$150,000, plus funds for property damage insurance premiums. Division 2765 was set up specifically for maintenance of the two Life Sciences properties. The FY11 request of \$704,380 represents a significant increase over the original FY10 request because both facilities are now open and staff has a much better understanding of what is needed to maintain the properties. Also, an additional \$496,035 is needed to finish out the current fiscal year.

Recommendation: The Committee **recommends approval** of funding in the amount of \$648,160 for FY11 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 \$704,380 to maintain the Abilene Life Sciences properties at 842 and 1325 Pine.

Also recommended is additional funding of \$496,035 for building maintenance expenses for 842 and 1325 Pine during FY10.

There being no further business, the meeting was adjourned.



Scott Senter, Chairman

DEVELOPMENT CORPORATION OF ABILENE, INC.
FY 2011 BUDGET SUMMARY
WITH PROJECTED CASHFLOW THROUGH FY 2011

CASH & INVESTMENTS BALANCE at 6-30-10		\$12,980,966
PLUS: Projected Revenue (July '10 thru Sept '10)		
1/2 Cent Sales Tax	\$2,050,636	
Investment Pool Revenue-earnings on cash invested	34,000	
Interest Income-outstanding loans	1,205	
Principal Recovery-outstanding loans	57,816	
Building/Land Rental-DCOA properties	312,402	
Federal Grants (EDI Special Project)	142,500	
Misc. Income	74,798	
TOTAL		2,673,357
LESS: Estimated Expenditures (July '10 thru Sept '10)		
Contracts and Allocations (including annual contracts)	1,494,921	
Corporate Assistance	1,180,980	
TOTAL		2,675,901
UNENCUMBERED CASH BALANCE at 10-1-10 (est.):		\$12,978,422
Projected Revenue FY11		
1/2 Cent Sales Tax	8,224,000	
Investment Pool Revenue-earnings on cash invested	30,000	
Interest Income-outstanding loans	74,700	
Principal Recovery-outstanding loans	244,990	
Building Rental	1,243,370	
Land Leases-Ag. lease on DCOA-owned land	1,870	
Federal Grants (EDI Special Project)	300,000	
Misc. Income	85,200	
TOTAL REVENUE		<u>\$10,204,130</u>
Projected expenditures FY11		
Property Mgmt. Exp.-DCOA properties (2775)	150,000	
Property Mgmt - Life Sciences properties (2765)	704,380	
Property Damage Ins. Prem.-DCOA properties	86,290	
Other Contracts and Allocations	1,433,540	
Corporate Assistance	5,147,700	
Projected Project Expenses	9,700,000	
TOTAL		17,221,910
Contractual Relationships FY11		
City of Abilene - Business Services	648,160	
Abilene Industrial Foundation	739,850	
TTU Small Business Development Center	250,000	
Chamber Military Affairs Committee	60,000	
Airport Business Development Mgmt	163,830	
TOTAL		1,861,840
TOTAL EXPENDITURES		<u>\$19,083,750</u>
PROJECTED UNOBLIGATED CASH BALANCE AT 9-30-11		<u><u>\$4,098,802</u></u>