

PUBLIC NOTICE

DEVELOPMENT CORPORATION OF ABILENE, INC.

A regular meeting of the Development Corporation of Abilene, Inc. will be held on Tuesday, June 25, 2013, at the Abilene Laboratories conference room, 1325 Pine St., Abilene, Texas, commencing at 1:30 p.m. to consider the following agenda:

SIGNED:


Richard Burdine, Asst. City Manager for Economic Development

AGENDA

June 25, 2013
1:30 p.m.

Abilene Laboratories
1325 Pine St.

1. Call the meeting to order.
2. Approval of minutes from the June 11, 2013, board meeting.
3. Sales tax report for June 2013.
4. 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.

5. DCOA strategic planning session.
6. 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 _____, 2013, 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
JUNE 11, 2013

MEMBERS PRESENT: Paul Cannon Scott Senter
Dani Ramsay Marelyn Shedd
Dave Copeland

STAFF PRESENT: Richard Burdine Susan Cardonita
Mindy Patterson Daniel Santee

GUESTS PRESENT: Gary Robinett, Abilene Industrial Foundation
Judy Wilhelm, Small Business Development Center
John Mangalonzo, Abilene Reporter-News

1. **CALL THE MEETING TO ORDER.** President Paul Cannon called the meeting to order in the conference room of the Abilene Laboratories, 1325 Pine Street, Abilene, Texas.
2. **APPROVAL OF MINUTES FROM THE MAY 15, 2013, BOARD MEETING.** Dani Ramsay moved to approve the minutes from the May 15, 2013 board meeting. Scott Senter seconded and the motion carried.
3. **STATUS OF FUNDS FOR APRIL 2013.** Director of Finance Mindy Patterson reviewed this report. Total Revenues were \$813,655 with nearly \$800,000 of that being from sales tax. Major expenses included \$140,000 as earned principal reduction for Energy Maintenance Services; \$63,192 in Vine St. construction costs; \$37,837 in reimbursement for the fifth Fast Track Welder Training class through March 2013; and \$91,061 as the third payment for Pactiv's compressor relocation.
4. **APPOINTMENT BY PRESIDENT CANNON OF FY13 STANDING COMMITTEES: PROJECT EVALUATION AND BUDGET & FINANCE.** Each year the DCOA President appoints standing committee members to serve for one-year terms. The standing committees include the Project Evaluation Committee, which reviews performance reports on the DCOA's contract agencies, and the Budget & Finance Committee, which recommends a budget for the DCOA. President Paul Cannon appointed Dani Ramsay, Dave Copeland, Ron Butler, John Stearns, Ray Ferguson, and Tucker Bridwell to these committees for 2013.
5. **PRESENTATION OF SEMI-ANNUAL REPORT FOR 6 MONTHS ENDED MARCH 31, 2013 BY: TEXAS TECH UNIVERSITY SMALL BUSINESS DEVELOPMENT CENTER.** Judy Wilhelm reviewed the Small Business Development Center's (SBDC) Mid-Year FY13 Report. For the first half of FY 2013, the SBDC billed the DCOA for 1,165 hours which is below last year's billed hours of 1,362 for the same reporting period. The DCOA cost per job for the mid-year is averaging \$997 but should come down by the end of the fiscal year. A large part of the SBDC's business assistance has been with Quick Books seminars and does not bill these hours to the DCOA because they are not job retention or creation related.

The SBDC has undergone several reviews in the first half of the 2013 fiscal year. The U.S. SBA's review resulted in an 8% decrease in funding for FY2014. Of particular concern from the U.S. SBA in Washington, DC is the duplication of services across various agencies. However, the SBDC was not found in violation of the duplication concern.

Dyess Contracting is currently at a maintenance stage; however, the SBDC did arrange a meeting between the Texas Tech Health Sciences and Dyess Contracting regarding possible future contracting opportunities with pharmacy and nursing students doing clinicals on base. The SBDC continues to support the ACU Springboard Ideas Challenge both financially and through business assistance to individuals entering the competition.

The SBDC has noticed an increase in clients interested in locating downtown and has joined the Abilene Downtown Association to become more familiar with the direction of the association.

The SBDC is now fully staffed as of June 10, 2013. They receive approximately 20% of their funding from the SBA and they endeavor not to use all the funding the DCOA has approved for their contract.

6. **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 June 11, 2013, and the time is 1:57 p.m. Later, President Cannon announced the date is still June 11, 2013, and the time is 2:19 p.m. No vote or action was taken in Executive Session.

7. **DISCUSSION AND POSSIBLE APPROVAL OF AN AMENDED RESOLUTION WHICH AUTHORIZES ASSISTANCE FOR PROJECT RN.** On April 30, 2013 the DCOA approved revised direct assistance of \$585,000 for Phase 1 job creation and capital investment incentives plus land purchase of 3-5 acres in the Five Points Business Park. Also approved at that time were Phase 2 land purchase of up to 25 acres and an Infrastructure Reserve Fund of \$5 million.

Project RN is now interested in owning 13 acres of land for its Phase 1 development with the option for 22 more acres should Phase 2 development occur, for a total of 35 acres.

Staff recommends the DCOA amend the incentive package approved for Project RN whereby the DCOA shall sell and finance 13 acres of land valued at \$195,000 (\$15,000/acre) for Phase 1 and 22 more acres valued at \$330,000 for Phase 2 if necessary.

Scott Senter made a motion to approve Resolution No. DCOA-2013.19 Revised 2 as presented; motion carried.

8. DISCUSSION & POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING A CONTRACT WITH ENPROTEC/HIBBS & TODD TO PROVIDE SURVEYING AND OTHER WORK FOR LOCATION OF A RAILROAD SPUR, PROVIDE REPLAT SERVICES, AND DEVELOP A DRAWING OF THE FIVE POINTS BUSINESS PARK DEPICTING LOTS AND TRACTS OWNED BY THE DCOA.

Development in the Five Points Business Park has increased significantly over the last few years with construction of two new facilities and the recent sale of 10 acres to Atmos Energy. Efforts to market the Park are somewhat hampered by the lack of an accurate drawing of all the platted lots in the Park showing sizes, existing easements, flood plains and floodways.

The DCOA has just approved revised amended assistance to Project RN, an oil and gas services provider looking to purchase 13 acres of land in the Park, south of Five Points Parkway. This will require replatting that section of land into separate lots.

Staff requests the DCOA authorize a contract with Enprotec/Hibbs & Todd and funding of \$35,000 to develop a drawing of all existing subdivision lots in the Park (\$8,000 est.), do a preliminary railroad spur route (\$3,000 est.), design survey for railroad spur (\$6,000 est.), replat Five Points Business Park (\$6,000 est.) and do a master park drawing (\$7,000) plus \$5,000 contingency.

Dani Ramsay moved to approve Resolution No. DCOA-2013.21 as presented. Dave Copeland seconded and the motion carried.

9. ADJOURNMENT. The next regularly scheduled meeting is June 25th at 4109 Vine St. There being no further business the meeting was adjourned.

Paul Cannon, President

MEMORANDUM

June 12, 2013

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

The sales tax rebate for June is \$3,309,661.36 which represents April sales. This is 7.88% above last year and 14.08% above the projected FY 13 budget amount. The breakdown of the June rebate is \$2,482,246.02 to the General Fund and \$827,415.34 for economic development. Of this rebate, \$157,019 is from prior periods, audit payments, future payments, and unidentified payments. For the period of October through June, sales tax is 3.35% below last year and 5.33% above the projected FY 13 budget amount. 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, Deputy City Manager

**CITY OF ABILENE
SALES TAX COMPARISON**

Accounting Period Month	GENERAL FUND	ECONOMIC DEVELOPMENT	TOTAL	GENERAL FUND	ECONOMIC DEVELOPMENT	TOTAL
	Actual 2011-12	Actual 2011-12		Actual 2012-13	Actual 2012-13	
October	\$2,671,157.84	\$890,385.94	\$3,561,543.78	\$2,567,604.30	\$855,868.10	\$3,423,472.40
November	2,894,423.44	964,807.81	3,859,231.25	2,675,867.12	891,955.71	3,567,822.83
December	2,175,827.99	725,276.00	2,901,103.99	2,319,312.29	773,104.09	3,092,416.38
January	2,823,199.08	941,066.36	3,764,265.44	2,186,131.29	728,710.43	2,914,841.72
February	3,527,637.94	1,175,879.31	4,703,517.25	3,038,055.04	1,012,685.01	4,050,740.05
March	2,196,565.64	732,188.54	2,928,754.18	2,464,587.05	821,529.01	3,286,116.06
April	2,307,190.75	769,063.58	3,076,254.33	2,402,889.56	800,963.19	3,203,852.75
May	2,932,384.19	977,461.40	3,909,845.59	2,895,168.95	965,056.32	3,860,225.27
June	2,300,833.44	766,944.48	3,067,777.92	2,482,246.02	827,415.34	3,309,661.36
YTD	\$23,829,220.31	\$7,943,073.42	\$31,772,293.73	\$23,031,861.62	\$7,677,287.20	\$30,709,148.82
July	2,270,657.66	756,885.89	3,027,543.55			
August	2,760,289.25	920,096.42	3,680,385.67			
September	2,400,600.79	800,200.26	3,200,801.05			
FY TOTAL	\$31,260,768.01	\$10,420,255.99	\$41,681,024.00			

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

The Comprehensive Annual Financial Report (CAFR) will reflect revenue based upon the month the sales tax is paid by the vendor in accordance with GASB 33 requirements.

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

Accounting Period Month	Actual 2011-12	Actual 2012-13	% Change
October	\$890,386	\$855,868	-3.88%
November	964,808	891,956	-7.55%
December	725,276	773,104	6.59%
January	941,066	728,710	-22.57%
February	1,175,879	1,012,685	-13.88%
March	732,189	821,529	12.20%
April	769,064	800,963	4.15%
May	977,461	965,056	-1.27%
June	766,944	827,415	7.88%
YTD	\$7,943,073	\$7,677,287	-3.35%
July	756,886		
August	920,096		
September	800,200		
FY TOTAL	\$10,420,256		

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Revenue for June '13 represents April '13 sales. Approximately \$39,255 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.
1/2 CENT SALES TAX REVENUE
Five Year Comparison

Accounting Period Month	Actual 2008-09	Actual 2009-10	Actual 2010-11	Actual 2011-12	Actual 2012-13
October	\$703,442	\$671,904	\$661,859	\$890,386	\$855,868
November	893,442	758,231	774,838	964,808	891,956
December	707,339	602,230	647,119	725,276	773,104
January	660,623	594,761	693,114	941,066	728,710
February	955,889	898,241	978,890	1,175,879	1,012,685
March	602,464	618,659	646,308	732,189	821,529
April	616,560	601,410	641,310	769,064	800,963
May	793,424	814,964	948,413	977,461	965,056
June	653,711	612,963	741,634	766,944	827,415
July	598,036	660,806	749,767	756,886	
August	799,090	829,188	1,013,393	920,096	
September	653,828	649,391	799,173	800,200	
FY TOTAL	<u><u>\$8,637,848</u></u>	<u><u>\$8,312,748</u></u>	<u><u>\$9,295,819</u></u>	<u><u>\$10,420,256</u></u>	<u><u>\$7,677,287</u></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
revenue based upon the month the sales tax is paid by the vendor
in accordance with GASB 33 requirements.