

PUBLIC NOTICE

DEVELOPMENT CORPORATION OF ABILENE, INC.

A regular meeting of the Development Corporation of Abilene, Inc. will be held on Tuesday, December 13, 2016, at Develop Abilene conference room, 174 Cypress St., 3rd floor, Abilene, Texas, commencing at 1:30 p.m. to consider the following agenda:

SIGNED:



Kent Sharp, CEO

AGENDA

December 13, 2016
1:30 p.m.

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

1. Call the meeting to order.
2. Approval of minutes from the November 22, 2016, board meeting.
3. Sales tax report for December 2016 and financial report for October 2016.
4. Executive Session:
The DCOA reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed, as authorized by the Texas Government Code Sections:
 1. 551.071 (Consultation with Attorney),
 - A. Outstanding insurance claims
 2. 551.072 (Deliberations about Real Property)
 3. 551.074 (Personnel Matters)
 4. 551.087 (Business Prospect/Economic Development)
 - A. Project Food
 - B. Project Plastic
 - C. AbLabs building prospects
 - D. Project Next
5. Discussion and possible approval of a resolution authorizing assistance for AbiMar Foods, Inc.
6. Discussion of the next Board meeting date and time.
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 _____, 2016, 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 22, 2016

MEMBERS PRESENT: Dave Copeland Marelyn Shedd John Beckham

Dani Ramsay Jack Rich

STAFF PRESENT: Kent Sharp Kim Tarrant

GUESTS PRESENT: Mark Zachary McMahon Law Firm
Bruce Kreitler City Council
Brian Yates Chamber Military Affairs Committee
Kate Alvarez Abilene Regional Airport
Judy Wilhelm Small Business Development Center
Justin Jaworski Abilene Industrial Foundation
Doug Peters Abilene Chamber of Commerce
Rick Denbow Texas State Technical College
Mike Rains City of Abilene Finance
Brooke Crum Abilene Reporter News

1. CALL THE MEETING TO ORDER:

President Dave Copeland called the meeting to order at 1:31 p.m. at 174 Cypress St., 3rd floor conference room, Abilene Texas.

2. APPROVAL OF MINUTES FROM THE OCTOBER 11, 2016, BOARD MEETING:

Jack Rich moved to approve the minutes from the October 11, 2016, board meeting as presented. Marelyn Shedd seconded and the motion carried.

3. SALES TAX REPORT FOR NOVEMBER 2016 AND FINANCIAL REPORT FOR SEPTEMBER 2016:

Mike Rains, the City's Director of Finance, presented the sales tax report for November 2016. The sales tax rebate for November is \$3,722,741.70 which represents September sales. Economic Development received \$930,685.42, which is 5.03% below last year and 5.03% below the projected FY 17 budget amount. For the period October through November, sales tax is 1.72% below last year and 1.72% below the projected FY 17 budget amount. The DCOA's total current assets as of September 30, 2016, are \$22,098,217. The revenues totaled \$1,064,267 and total expenditures were \$811,184 with \$329,639 being spent on six different projects.

4. EXECUTIVE SESSION – SESSION 1:

I hereby announce we are going into Executive Session pursuant to Texas Government Code Sections 551.071, 072, 074 and 087 to consult with our legal counsel, discuss real

property transactions, personnel matters, 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 Dave Copeland announced the date is November 22, 2016, and the time is 1:38 p.m. Later, President Copeland announced the date is still November 22, 2016, and the time is 2:45 p.m. No vote or action was taken in Executive Session.

5. PRESENTATION OF ANNUAL REPORTS FOR FISCAL YEAR ENDED SEPTEMBER 30, 2016 BY: TEXAS TECH UNIVERSITY SMALL BUSINESS DEVELOPMENT CENTER, ABILENE INDUSTRIAL FOUNDATION, ABILENE CHAMBER OF COMMERCE MILITARY AFFAIRS COMMITTEE, AND CITY OF ABILENE AIRPORT BUSINESS DEVELOPMENT MANAGER:

Texas Tech University Small Business Development Center (SBDC):

Judy Wilhelm, Director of the SBDC, presented their FY16 annual report to the DCOA. During FY16 SBDC registered 359 new clients, logged 224.50 confirmed jobs/expansions and 41 businesses were opened. A total of 2,074.75 counseling hours were billed to the DCOA. SBDC is currently preparing to offer assistance to small business owners regarding the Safe Quality Food (SQF) regulation as part of the FDA Food Safety Modernization Act passed in 2011. The compliance for small business will start in 2018.

Abilene Industrial Foundation (AIF):

Justin Jaworski, Executive Director of the AIF presented the annual report for FY16. Abilene had a banner year. Capital projects were estimated to be over \$90 million and a recent update of the new jobs expectation is somewhere between 600-700, plus 900 additional jobs in retention projects. AIF's Business Retention and Expansion (BRE) program and the marketing program are growing with the help of AIF'S 2 new employees. Doug Peters, President of the Abilene Chamber of Commerce (ACoC), briefly spoke about other potential downtown growth projects.

Abilene Chamber of Commerce Military Affairs:

Brian Yates, Vice President for Military Affairs, presented the annual report for FY16. The Military Affairs Committee (MAC) increased its activity level from past years with the goal of retaining Dyess Air Force Base since it is the largest employer in Abilene and has a yearly economic impact of \$430 million on our community. MAC is continuing to partner with the City of Abilene to help make improvements at Dyess. A new pilot workforce development program has been organized to pair up with the spouse's club at Dyess. This is a way for military spouses who are new to Abilene to connect with different resources in the community regarding employment opportunities.

City of Abilene Airport Business Development (ABI):

Kate Alvarez, Marketing and Development Manager for Abilene Regional Airport presented their FY16 annual report. Enplanements are down 8%, which is a direct correlation to the slow-down in oil production and the fairly large cost spread between American Airlines fares at ABI and DFW. Revenue from rental cars went down 2% and parking lot revenue was also down 2%. ABI's current marketing avenues are TV, radio, sponsorships and social media. ABI is also looking at different ways to market the land around the airport for industrial use and distributing the information to prospective companies.

6. **PRESENTATION AND POSSIBLE APPROVAL OF THE FY 16 ANNUAL REPORT OF ACTIVITIES OF THE DEVELOPMENT CORPORATION OF ABILENE, INC.:** Kent Sharp, CEO of the DCOA stated the DCOA's FY16 Annual Report of Activities was included in the board's agenda packet so he will not spend time repeating the information. The board had no questions about the report, and Mr. Copeland congratulated staff on a good year. If approved by the board, Mr. Sharp will present the report to the City Council in December.

Dani Ramsay moved to approve the DCOA's FY16 Annual Report of Activities. Marelyn Shedd seconded and the motion passed.

7. **STRATEGIC PLAN STATUS UPDATE PRESENTED BY KENT SHARP, CEO:** Kent Sharp reported on the progress made by all the different partners involved in the Strategic Plan (the Plan) to date. During the update he made the suggestion of reporting the Plan status on a semi-annual basis versus quarterly. Dave Copeland, President of the DCOA Board, asked if the reports could continue on a quarterly basis, but give highlights on 3 different items that moved forward since the last report and select 3 more items that will be worked on before the next update instead of a detailed report on each item. Tom Stellman with TIP Strategies will be here in February to review the actions taken so far to follow the Plan then give feedback to all of the partners.

8. **DISCUSSION OF THE NEXT BOARD MEETING DATE AND TIME:** Dave Copeland asked the remaining board members if they would be available on Tuesday, December 13, 2016 for the next board meeting.

9. **ADJOURNMENT:**
There being no further business the meeting was adjourned.

Dave Copeland, President

MEMORANDUM

December 7, 2016

TO: Robert Hanna, City Manager
FROM: Marjorie Knight, Assistant Director of Finance
SUBJECT: December Sales Tax

The sales tax rebate for December is \$2,991,876.25 which represents October sales. This is 1.85% above last year and 1.85% above the projected FY 17 budget amount. The breakdown of the rebate is \$2,243,907.19 to the General Fund and \$747,969.06 for economic development. Of this rebate, \$77,358.57 is from prior periods, audit payments, future payments, and unidentified payments. For the period of October through December, sales tax is .68% below last year and .68% below the projected FY 17 budget amount. I have requested the detail from the state.

Should you have any questions, please contact me.

Cc: Mindy Patterson, Assistant City Manager
James Childers, Assistant City Manager

**CITY OF ABILENE
SALES TAX COMPARISON**

Accounting Period Month	GENERAL FUND	ECONOMIC DEVELOPMENT	TOTAL	GENERAL FUND	ECONOMIC DEVELOPMENT	TOTAL
	Actual 2015-16	Actual 2015-16		Actual 2016-17	Actual 2016-17	
October	\$2,456,044.80	\$818,681.60	\$3,274,726.40	\$2,511,352.80	\$837,117.60	\$3,348,470.40
November	2,940,002.89	980,000.96	3,920,003.85	2,792,056.28	930,685.42	3,722,741.70
December	2,203,231.83	734,410.61	2,937,642.44	2,243,907.19	747,969.06	2,991,876.25
YTD	\$7,599,279.52	\$2,533,093.17	\$10,132,372.69	\$7,547,316.27	\$2,515,772.08	\$10,063,088.35
January	\$2,265,278.52	\$755,092.84	\$3,020,371.36			
February	3,419,688.86	1,139,896.28	4,559,585.14			
March	2,186,523.32	728,841.10	2,915,364.42			
April	2,337,248.73	779,082.91	3,116,331.64			
May	2,914,521.42	971,507.14	3,886,028.56			
June	2,263,315.79	754,438.60	3,017,754.39			
July	2,272,925.02	757,641.67	3,030,566.69			
August	2,955,004.91	985,001.64	3,940,006.55			
September	2,268,511.95	756,170.65	3,024,682.60			
FY TOTAL	\$30,482,298.04	\$10,160,766.00	\$40,643,064.04			

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 to the State Comptroller 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 2015-16	Actual 2016-17	% Change
October	\$818,682	\$837,118	2.25%
November	980,001	930,685	-5.03%
December	734,411	747,969	1.85%
YTD	\$2,533,093	\$2,515,772	-0.68%
January	\$755,093		
February	1,139,896		
March	728,841		
April	779,083		
May	971,507		
June	754,439		
July	757,642		
August	985,002		
September	756,171		
FY TOTAL	\$10,160,766		

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 to the State Comptroller in accordance with GASB 33 requirements.

Revenue for December '16 represents October '16 sales. Approximately \$19,339.64 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 2012-13	Actual 2013-14	Actual 2014-15	Actual 2015-16	Actual 2016-17
October	\$855,868	\$815,126	\$868,660	\$818,682	\$837,118
November	891,956	896,761	987,887	980,001	930,685
December	773,104	766,502	836,922	734,411	747,969
FY TOTAL	\$2,520,928	\$2,478,388	\$2,693,469	\$2,533,093	\$2,515,772
January	\$728,710	\$744,242	\$798,120	\$755,093	
February	1,012,685	1,061,353	1,137,082	1,139,896	
March	821,529	743,945	759,360	728,841	
April	800,963	726,196	733,667	779,083	
May	965,056	981,409	1,019,627	971,507	
June	827,415	773,012	822,955	754,439	
July	826,951	794,307	778,812	757,642	
August	927,272	966,814	998,076	985,002	
September	797,862	845,806	811,136	756,171	
YTD	\$10,229,372	\$10,115,471	\$10,552,304	\$10,160,766	

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 to the State Comptroller in accordance with GASB 33 requirements.

3.4

The October 2016 financial report will be available during the board meeting.

ITEM #5

**Information on this item will be available during the
board meeting.**