

**AGENDA FOR MEETING OF
THE CITY OF KERRVILLE, TEXAS
ECONOMIC IMPROVEMENT CORPORATION
Monday, September 20, 2010, 4:00 p.m.
Kerrville City Hall Council Chambers
800 Junction Highway, Kerrville, Texas**

1. CALL TO ORDER

2. INVOCATION

3. VISITORS FORUM

At this time, any person with business not scheduled on the agenda may speak to the corporation. No deliberation or action can be taken on these items because the Open Meetings Act requires an item be posted on an agenda 72 hours before the meeting. Visitors are asked to limit presentations to three minutes.

4. PRESENTATION AND POSSIBLE ACTION:

4A. Presentation of EIC investment portfolio from Patterson and Associates. (Erwin & Patterson)

4B. Commercial Improvement Program Request:

Hewitt Engineering (John Hewitt)

San Saba Cap Company (John Baker)

A & D Properties No. 2 (Harvey Brinkman)

4C. Authorize the execution of the Fiscal Year 2011 Administrative Services Contract with the City of Kerrville. (Wendele)

5. APPROVE MINUTES:

5A. August 16, 2010.

6. MONTHLY REPORTS:

6A. Monthly financials for August 2010.

6B. EIC construction project status.

7. INFORMATION AND DISCUSSION:

7A. Update on Convention Center Review Panel. (Ferguson)

7B. Update on Kerrville Economic Development Council. (Pratt)

8. EXECUTIVE SESSION:

The EIC Board reserves the right to discuss any of the above items in executive closed session if they meet the qualifications in Sections 551.071 (consultation with attorney), 551.072 (deliberation regarding real property), 551.073 (deliberation regarding gifts), 551.074 (personnel matters), 551.075, 551.076 (deliberation regarding security devices) or 551.087 (deliberation regarding economic development negotiations) of Chapter 551 of the Government Code of the State of Texas.

The facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this event. Please contact the City Secretary's Office at 830-257-8000 for further information.

I do hereby certify that this notice of meeting was posted on the bulletin board at the city hall of the city of Kerrville, Texas, and said notice was posted on the following date and time: September 16, 2010 at 3:00 p.m. and remained posted continuously for at least 72 hours proceeding the scheduled time of the meeting.

Teri Kinsey

Deputy City Secretary, City of Kerrville, Texas

Sections 551.071, 551.072 and 551.087:

- Negotiations with Hunter Equity regarding the construction of a multi-purpose meeting facility for the city of Kerrville.

Sections 551.071, 551.072 and 551.087:

- Economic development grant/loan agreement between Kerr Economic Development Foundation, Inc. and the City of Kerrville, Texas Economic Improvement Corporation (USDA Facility).

9. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION

10. ADJOURNMENT

The facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this event. Please contact the City Secretary's Office at 830-257-8000 for further information.

I do hereby certify that this notice of meeting was posted on the bulletin board at the city hall of the city of Kerrville, Texas, and said notice was posted on the following date and time: September 16, 2010 at 3:00 p.m. and remained posted continuously for at least 72 hours proceeding the scheduled time of the meeting.

Teri Kinsey

Deputy City Secretary, City of Kerrville, Texas

Economic Improvement Corporation

**City of Kerrville, Texas
Investment Policy**

Adopted -----, 2010

1. General Policy

It is the policy of the Economic Improvement Corporation (the "EIC") of the City of Kerrville (the "City") to administer its funds and the investment of those funds, as its highest public trust. The funds shall be invested in a manner, which provides for the safety of principal through risk management and diversification while meeting the all cash needs. Investments should provide a reasonable investment return and the earnings will be used in a manner that best serves the interests of the EIC and the City.

This Policy is designed to be in conformance with the Public Funds Investment Act, Chapter 2256, Texas Government Code (the "Act"), and any applicable state and federal regulations, and applicable bond resolution requirements.

2. Scope

This Policy will govern the investment of all the financial assets of the EIC with the exclusion of real-estate assets

3. Goals and Objectives

Investment of EIC funds shall be governed by the following investment objectives, in their order of priority:

a. Safety

Safety of principal is the foremost objective of the investment program . Investment shall be undertaken in a manner that seeks to ensure the preservation of capital and avoids security defaults or erosion of market values. To attain this objective, diversification will be used to limit potential losses on individual securities .

b. Liquidity

The investment portfolio will remain sufficiently liquid to enable EIC to meet all operating requirements that might be reasonable anticipated. Ongoing cash flow analysis will be used to identify changing liquidity needs and anticipate cash needs. A liquidity buffer of cash equivalent investments should be maintained to meet unanticipated liabilities.

To the extent possible, EIC will attempt to match its investment maturities with anticipated liabilities and cash flow requirements. EIC will not directly invest in any securities maturing more than five (5) years from the date of purchase. .

To reflect overall cash flow requirements and risk tolerance levels of EIC, the weighted average maturity of the overall portfolio shall not exceed one year .

c. Diversification

In order to minimize investment and market risk, EIC will diversify its investments by security type and maturity. The portfolio will be designed to avoid unreasonable risks within one market sector or from an individual financial institution.

d. Yield

EIC's investment portfolio shall be designed with the objective of attaining a reasonable yield throughout budgetary and economic cycles, commensurate with investment risk constraints and the cash flow characteristics of the portfolio. The portfolio(s) risk shall be measured quarterly against a benchmark which is based on anticipated cash flow analysis and the authorized portfolio structure. The overall portfolio shall have a maximum weighted average maturity of one year. To measure the overall risk of the portfolio, a benchmark of the one-year Treasury Bill shall be reported.

4. Investment Strategy

All EIC funds are to be commingled in one portfolio for investment purposes and efficiency. The investment strategy of the portfolio has as its primary objective to assure that anticipated cash flows are matched and adequate liquidity maintained with minimal volatility. The portfolio will be structured with high credit quality, short and intermediate term securities to minimize market, liquidity, and credit risks. The maximum dollar weighted average maturity of the portfolio will be one year calculated on stated maturity dates.

5. Investment Officers

The Executive Director of EIC is authorized to administer the investment activities of the EIC and, is designated as Investment Officer for the purposes of this Policy and the Act. The Board may designate additional qualified employees or an SEC Registered Investment Advisor, as Investment Officer(s). The designation of all Investment Officers shall be by Board resolution. Authority and designation as Investment Officer is effective until rescinded by the EIC, expiration of the officer's term, or until termination of employment.

All Investment Officer(s) shall be familiar with this Policy and its underlying procedures. No Investment Officer may engage in an investment transaction except as provided under the terms of this Policy and its supporting procedures .

A trading resolution is established by adoption of this Investment Policy authorizing the Investment Officer(s) to engage in investment transaction on behalf of the EIC. The persons so authorized to transact business are also authorized to approve wire transfers used in the process of investing.

Training

All Investment Officer(s) shall attend ten (10) hours of training in accordance with the Act within twelve (12) months of assuming responsibilities and attend (10) hours of training in each successive two-year period. Training costs shall be provided by the EIC with Board approved training courses. Training should include topics such as investment controls, security risk, market risks, diversification of the investment portfolio and compliance with State laws.

6. Standard of Care

The standard of care to be used by the Investment Officer(s) shall be the “prudent person standard” and shall be applied in the context of managing the overall portfolio, rather than a consideration as to the prudence of a single investment; and whether the investment decision was consistent with this Investment Policy. The standard states:

Investment shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of their own affairs, not for speculation but for investment, considering the probable safety of the capital and the probable income to be derived.

Investment Officer(s) acting in accordance with the Investment Policy and exercising due diligence, shall be relieved of personal liability for an individual security’s credit risk or market price change, provided that deviations from expectations are reported in a timely manner and appropriate action is taken to control adverse developments.

An investment officer who has any personal or business relationship with a business organization offering to engage in an investment transaction with the EIC shall file a statement disclosing that personal business interest to the Board.

7. Standard of Ethics

Investment Officer(s) shall act as custodians of the public trust and shall refrain from any transaction that might involve a conflict of interest or the appearance of a conflict of interest, or any activity that might otherwise discourage public confidence. Investment Office(s) shall refrain from personal business activity that could conflict with proper

execution of the investment program or that could impair their ability to make impartial investment decisions.

An Investment Officer who has a personal or business relationship with an individual or organization seeking to sell an investment to the City shall file a disclosure statement with the Texas Ethics Commission and the Board .

8. Investment Advisors, Investment Pools, and Broker/Dealers

The EIC recognizes that all investment decisions regarding the portfolio are ultimately the responsibility of the Board. However, all investment advisors and broker/dealers conducting business with the EIC shall make every reasonable effort to adhere to the spirit, philosophy, and specific terms of this Investment Policy.

Broker/Dealers

A list of not less than five authorized broker/dealers (or banks) shall be maintained to assure a competitive process. Investment Officers will establish the criteria, monitor the service, and evaluate the broker/dealers based on their experience and responsiveness to the City's requests for service and information.

Financial Institutions and broker/dealers who desire to transact business with the EIC must supply the following documents to the Investment Officer or Investment Advisor (as applicable):

- Current year audited financial statements
- Financial Institutions Regulatory Agency (FINRA) certification and FINRA's Central Depository Registration (CRD) number.
- Proof of Texas State Securities registration.

Broker/dealers shall provide timely trade documentation and confirmations.

Certification

Before transacting any business with the EIC, the Investment Officer shall present each broker/dealer with a current copy of the EIC's Investment Policy and an authorized representative of the firm shall, in writing , certify substantially to the effect that:

1. the broker/dealer has received and reviewed the Investment Policy, and
2. the firm has implemented reasonable procedures and controls to preclude investments with the EIC not authorized by the Policy.

The EIC shall not enter into any investment transaction with a broker/dealer prior to receiving the certification.

If material changes are made to the Investment Policy, an updated copy shall be provided to the authorized broker/dealer for re-certification.

Investment Advisor (Investment Manager)

The EIC may contract with another investing entity registered under the 15 U.S.C. Section 80b-1 et seq. to invest its funds. The Adviser will be held to the same standards of this Policy as the Investment Officer.

Investment advisors shall be registered with the U.S. Security and Exchange Commission and shall provide their SEC ADV Form to the EIC on an annual basis.

The EIC shall present investment advisors with a current copy of the Investment Policy and an authorized representative of the firm shall, in writing, certify substantially to the effect that:

1. the applicable advisors have received and reviewed the City's Investment Policy, and
2. the firm has implemented reasonable procedures and controls to preclude investments with the City not authorized by the Policy.

The City shall not enter into any investment transaction with an investment advisor prior to receiving the certification.

9. Authorized Investments

Authorized investments under this Policy shall be limited to the instruments listed below as further described by the Act.

- a. Obligations of the United States Government, its agencies and instrumentalities, excluding mortgage backed securities, with a stated final maturity not to exceed five (5) years.
- b. FDIC insured certificates of deposit from banks doing business in Texas with a final stated maturity not to exceed twelve (12) months. Certificates of deposit shall be guaranteed or insured by the Federal Deposit Insurance Corporation or its successor, and governed by a written Depository Agreement.
- c. Share certificates of credit unions doing business in Texas and insured by the National Credit Union Share Insurance Fund or its successor and not to exceed twelve (12) months to maturity.
- d. Commercial paper rated A1/P1 or its equivalent by two (2) nationally recognized rating agencies and with a final stated maturity not to exceed ninety (90) days from the date of issuance.

- e. AAA-rated, SEC registered money market mutual funds, striving to maintain a \$1 net asset value, .
- f. Constant-dollar, AAA-rated Texas Local Government Investment Pools, approved by resolution of the Board and conforming in every respect to the Act.

The City investment in any investment pool shall not exceed ten percent of the total assets of the pool.

- g. Fully collateralized repurchase agreements transacted with a primary securities dealer as defined by the Federal Reserve, under a written Master Repurchase Agreement, with a defined termination date, secured by obligations as defined by this Policy held by an independent third party custodian approved by the EIC, and with a stated final maturity not to exceed one hundred eighty (180) days.
- h. FDIC insured demand deposit accounts in banks doing business in Texas under a written depository agreement.

If additional types of securities are approved for investment by public funds by state statute, they will not be eligible for investment by the EIC until this policy has been amended and the amended version adopted by the Board.

Delivery versus Payment

All security transactions shall be transacted on a delivery versus payment (DVP) basis in order to ensure that the EIC has total control of its investments and its funds at all times.

Competitive Bidding

All investment transactions, including certificates of deposit, will be made on a competitive basis to assure that the EIC is receiving fair market prices.

10. Collateralization

The EIC is not a "public unit" as defined by FDIC regulations and is therefore not eligible to have pledged collateral from a bank. Bank time and demand deposits must be maintained under the FDIC insured limit, currently \$250,000 per bank holding company.

Repurchase Agreement- Owned Collateral

Collateral under a master repurchase agreement is owned by the EIC under a buy-sell transaction. It will be held by an independent third party safekeeping agent approved by EIC under an executed Master Repurchase Agreement. Collateral with a market value totaling 102% of the principal and accrued interest is required and the counter-party is responsible for the monitoring and maintaining of collateral and margins at all times.

11. Safekeeping and Custody of EIC Owned Securities

The laws of the State, this Policy, and prudent treasury management require that all securities be settled on a delivery versus payment basis and be held in safekeeping by an independent third party financial institution approved by the EIC. EIC shall contract with its banking services depository or another financial institution(s) as Custodian for the safekeeping of any securities owned. The designated Custodian will be responsible for the clearing and safekeeping of all security trades and will provide a monthly report of holdings. All securities held by the Custodian on behalf of the EIC shall be evidenced by a safekeeping receipt.

12. Internal Control

The Investment Officer(s) shall maintain a system of internal controls over the investment activities and subordinate employees. The control shall be designed to address fraud, employee error, misrepresentation by third parties, unanticipated market changes, and imprudent actions. Controls deemed most important would include: control of collusion, separation of duties, custody and safekeeping, delegation of authority, securities losses and remedial actions, and documentation on all transactions.

The quarterly investment reports shall be reviewed annually by the independent auditor as part of the annual audit process. Any irregularities shall be reported to the Board.

Cash Flow Forecasting

Cash flow forecasting is a control designed to protect and sustain cash flow requirements. The Investment Officer(s) will maintain a cash flow forecasting process designed to monitor and forecast cash positions of investment purposes.

13. Reporting

Not less than quarterly, the Investment Officer(s) shall report to the Board regarding the City's investment activities for the quarter in compliance with the Act. The reports shall contain sufficient information to permit an informed outside reader to evaluate the performance of the investment program. At a minimum the report shall include:

- description of each investment and depository position,
- book and market values at the beginning and end of the reporting period
- the change in market value during the period
- book value and market value of each separately invested asset at the beginning and end of the reporting period market sector
- -earnings for the period
- overall yield in comparison to its benchmark yield for the period

Market prices for market value calculations shall be obtained from independent sources. The quarterly report shall be signed by the Investment Officer and Investment Advisor as applicable.

14. Depositories

The EIC will design one banking institution through a competitive process as its central banking services provider at least every five (5) years or utilize the banking services under the existing City contract. This institution will be used for normal banking services including disbursement, deposits, and safekeeping of securities.

Other banking institutions from which the EIC may purchase certificates of deposit will also be designated as depositories.

15. Policies and Strategy Review

The Board shall review and adopt the Investment Policy and incorporated Investment Strategy not less than annually. The Board shall adopt a written instrument by resolution stating that it has reviewed the Policy and Strategy and the adopting resolution shall record any changes made.



APPLICATION FOR 4B SALES TAX FUNDS

**CITY OF KERRVILLE
ECONOMIC IMPROVEMENT CORPORATION**

**Commercial Improvement Program
Application**

Both the Economic Improvement Corporation Board of Directors (EIC) and the Kerrville City Council must approve all expenditures of 4B funding. Before a project may be considered and awarded any funds, the attached application must be completed and submitted to:

**City of Kerrville Economic Improvement Corporation
800 Junction Hwy.
Kerrville, Texas 78028
830.257.8000**

All actions of the EIC are subject to the Development Corporation Act of 1979, article 5190.6 Vernon's Civil Statutes, Section 4B. The EIC is a legal entity with statutory authority to spend economic development sales tax dollars. The Corporation is city-chartered and governed by a city-appointed board of directors. The EIC is a 4B Corporation and may fund "projects" focused on the creation of "primary jobs" and/or to provide an economic benefit to the City of Kerrville, as well as "Quality of Life" projects. Application approvals are subject to funding availability.

APPLICATION

SECTION I - APPLICANT INFORMATION

Submittal Date: 8/18/10

Company Information

Company Name/Organization: HEWITT ENGINEERING INC.

Address (City/State): 100 HORSESHOE RIDGE
KERRVILLE TX 78028

Telephone: 830-285-7925 E-mail: jmhe Witt@stx.tx.com

SECTION IV - PROJECT DESCRIPTION

Please attach a statement on company letterhead and signed by an officer of the company (1) fully explaining the nature and scope of the project; (2) describing the proposed site and existing improvements, or if; (3) the project is a demolition provide a description of the project .

Should this project be approved, the Economic Improvement Corporation may require performance criteria as a part of the funding agreement, in addition to this application. The funding agreement is between the Economic Improvement Corporation and the City of Kerrville. Said funding agreement will outline project costs, timelines, other information may be necessary to carry out the project in an efficient manner.

Estimated cost of the project: \$ 37,500

Amount of 'sweat equity' hours at \$15.00 per hour 100 hrs @ 15/hr = \$1500

State date 9/1/10

Grant requires completion in 90 days from the approval date. Project can be started as soon as application is made but there is no guarantee it will be approved.

Current use of the property and/or proposed use Residential / Commercial
Property zoned for RT

Plan to purchase materials locally and use local labor. Yes No

Hone Depot / Lowes / MG Contractors - Royal Painting Remodeling
P.O. Box 342 Harper, TX 78631

I understand the grant will be funded as a reimbursement after the project is completed and will be based on a percentage of the actual cost, which is 40% of demolition projects or 20% of renovation projects.

The above information is true and correct to the best of my knowledge.

JOHN HEWITT
Printed name
[Signature]
Signature

8/18/10
Date

For additional information visit the City's website at www.kerrvilletx.gov or call 830 797 8343



Hewitt Engineering, Inc.

Consulting Engineering Services

August 18, 2010

City of Kerrville Economic Improvement Corporation
Attn: Ms. Mindy Wendele
800 Junction Highway
Kerrville, Texas 78028

Re: Commercial Improvement Program Application

Dear Ms. Wendele,

This letter serves as a statement of the proposed improvement project for Hewitt Engineering Inc. as required in Section IV of the Commercial Improvement Program Application. This letter fully explains the nature and scope of the project and describes the proposed site and existing improvements.

Hewitt Engineering Inc. is a consulting engineering firm formed in 2008 by John Hewitt. The firm is located in Kerrville Texas and provides engineering services throughout the State of Texas primarily to municipalities and governmental agencies. We are committed to delivering high quality engineering services while providing timely, creative, and cost effective solutions to our clients. The main focus of the firm is planning and design for water and wastewater infrastructure, hydrologic and hydraulic analyses, and roadway projects.

The firm is in the process of purchasing an existing residential house at 716 Barnett Street to renovate to serve as the company office. The house is located on Barnett Street one block east of Sidney Baker Street behind O'Reilly Auto Parts. The house is currently in poor condition and is the only remaining residential house in the immediate area. Attached is a recent photograph of the existing house.

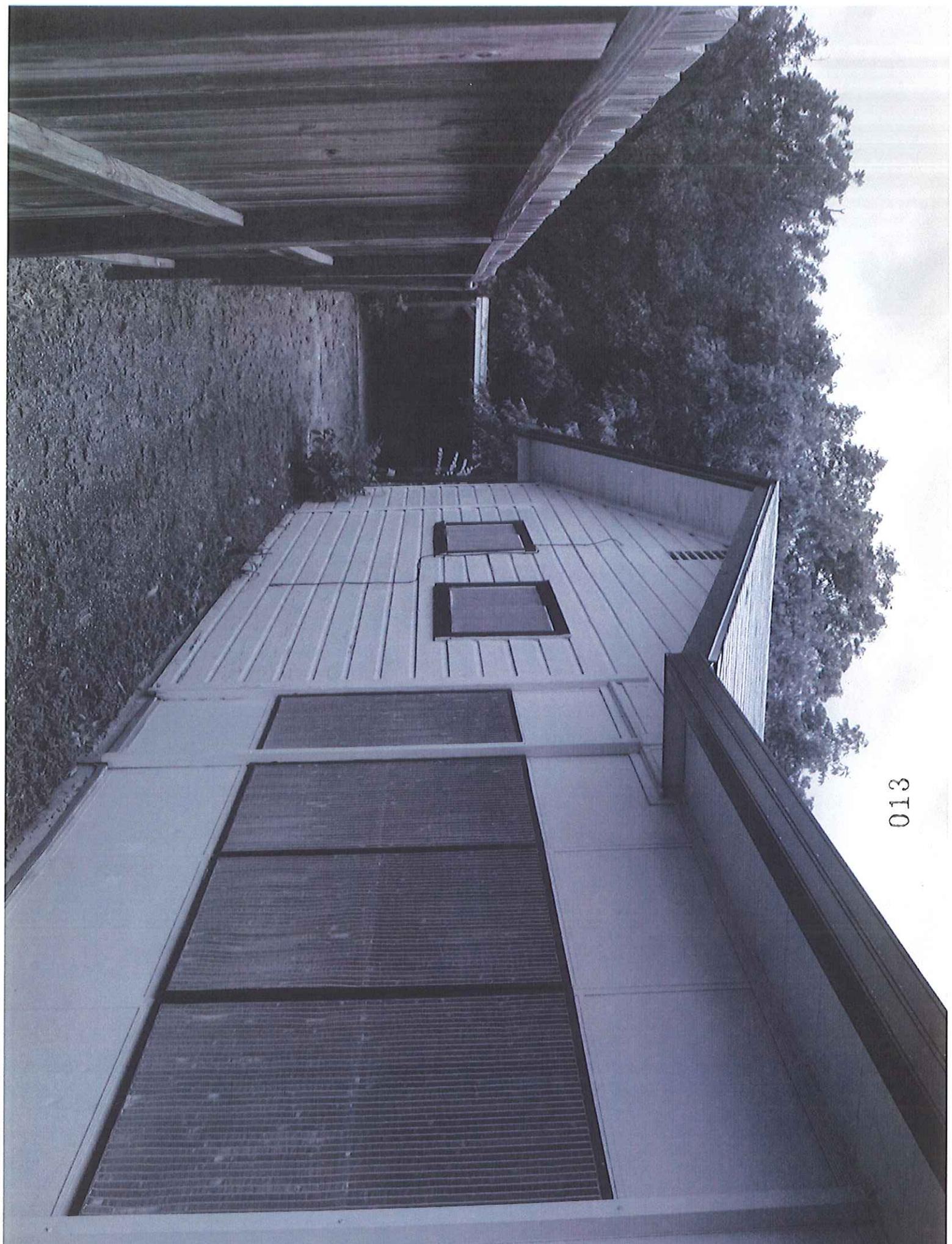
The proposed improvements will consist of removing the unsightly metal addition to the house and demolition of a portion of the converted garage in the back of the house. This will allow parking in the back rather than the current situation of parking in the front yard. Other proposed improvements include renovation to the front and side of the house as designed by A3 Studios and included in this application. The exterior of the house will include replacement of the existing windows and repainting and will fit much better with the RT Zoning in this area. Interior improvements include electrical upgrades, plumbing upgrades, conversion of the three small bedrooms to offices, new flooring and repainting. The total contract amount for these improvements is \$37,500. The anticipated start of construction will be September 1, 2010.

I appreciate consideration of this improvement project for funding as the project is located near the highly visible intersection of Sidney Baker Street and Barnett Street, Hewitt Engineering Inc. is located in Kerrville and is a member of the Kerrville Chamber of Commerce, the owner of the company is active in the local community, all material and local labor will be provided from the local community, and a larger office would provide the opportunity to expand and hire more local employees.

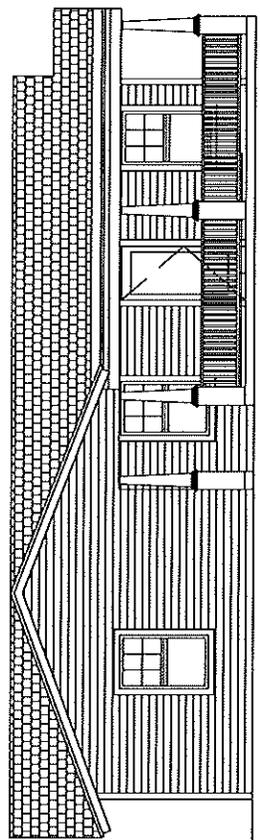
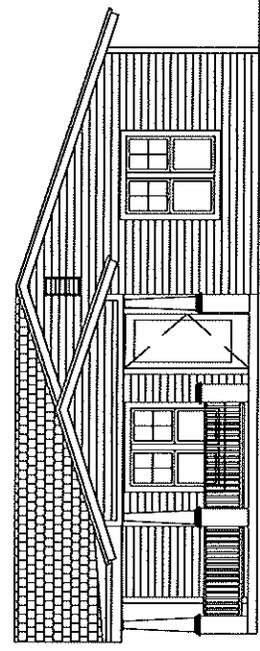
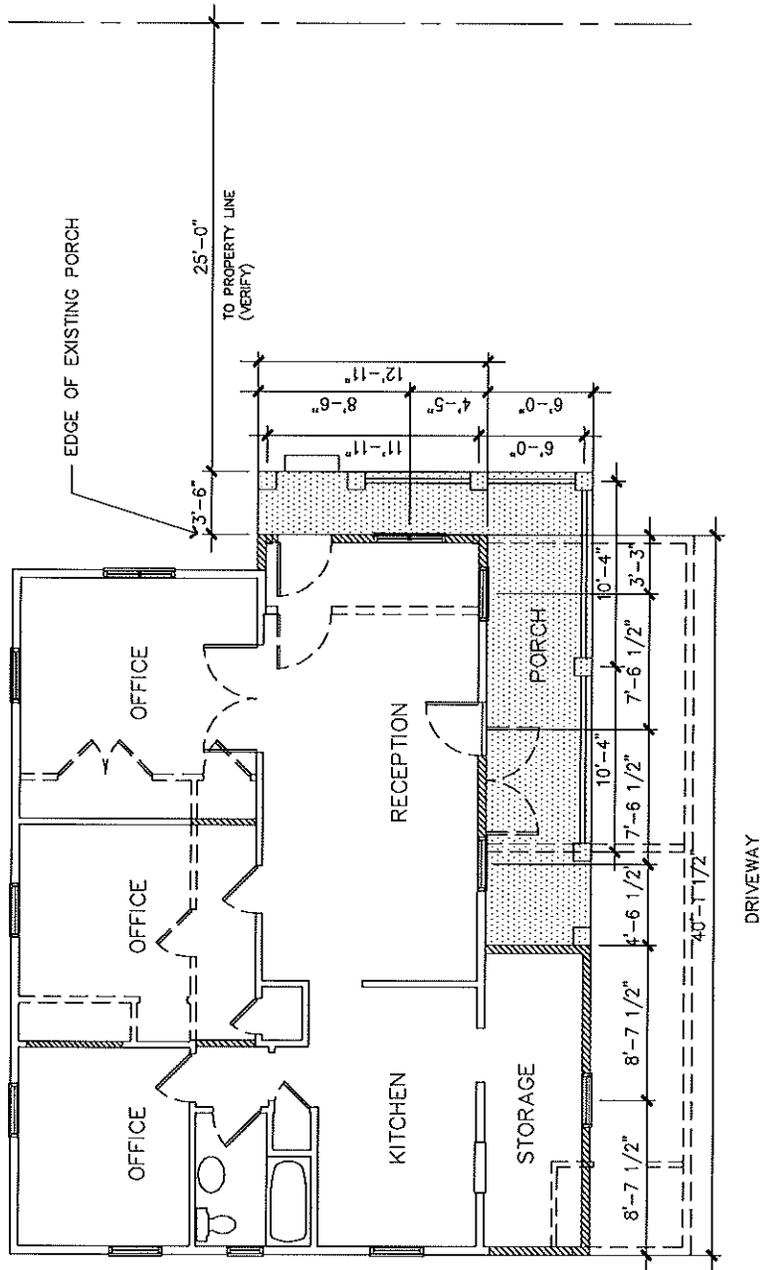
Sincerely,

John M. Hewitt, P.E., CFM
HEWITT ENGINEERING, INC





013





APPLICATION FOR 4B SALES TAX FUNDS

**CITY OF KERRVILLE
ECONOMIC IMPROVEMENT CORPORATION**

**Commercial Improvement Program
Application**

Both the Economic Improvement Corporation Board of Directors (EIC) and the Kerrville City Council must approve all expenditures of 4B funding. Before a project may be considered and awarded any funds, the attached application must be completed and submitted to:

**City of Kerrville Economic Improvement Corporation
800 Junction Hwy.
Kerrville, Texas 78028
830.257.8000**

All actions of the EIC are subject to the Development Corporation Act of 1979, article 5190.6 Vernon's Civil Statutes, Section 4B. The EIC is a legal entity with statutory authority to spend economic development sales tax dollars. The Corporation is city-chartered and governed by a city-appointed board of directors. The EIC is a 4B Corporation and may fund "projects" focused on the creation of "primary jobs" and/or to provide an economic benefit to the City of Kerrville, as well as "Quality of Life" projects. Application approvals are subject to funding availability.

APPLICATION

SECTION I - APPLICANT INFORMATION

Submittal Date: 9-1-10

Company Information

Company Name/Organization:

San Saba Cap. inc

Address (City/State): 1818 Broadway
Kerrville

Telephone: 257-2434 E-mail: John@SANSABACAP.COM

SECTION IV - PROJECT DESCRIPTION

Please attach a statement on company letterhead and signed by an officer of the company (1) fully explaining the nature and scope of the project; (2) describing the proposed site and existing improvements, or if; (3) the project is a demolition provide a description of the project .

Should this project be approved, the Economic Improvement Corporation may require performance criteria as a part of the funding agreement, in addition to this application. The funding agreement is between the Economic Improvement Corporation and the City of Kerrville. Said funding agreement will outline project costs, timelines, other information may be necessary to carry out the project in an efficient manner.

Estimated cost of the project: \$ 75K

Amount of 'sweat equity' hours at \$15.00 per hour 125

State date 9-15-10

Grant requires completion in 90 days from the approval date. Project can be started as soon as application is made but there is no guarantee it will be approved.

Current use of the property and/or proposed use Commercial
Property zoned for Commercial

Plan to purchase materials locally and use local labor. Yes No

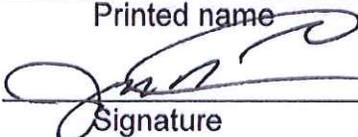
I understand the grant will be funded as a reimbursement after the project is completed and will be based on a percentage of the actual cost, which is 40% of demolition projects or 20% of renovation projects.

The above information is true and correct to the best of my knowledge.

John R. Baker
Printed name

9-1-10

Date


Signature

For additional information visit the City's website at www.kerrvilletx.gov or call 830.792.8343.

5.13.10



City of Kerrville Economic Improvement Corporation

Re: San Saba Cap and BeBop T Shirt Shop

San Saba Cap is currently in the process of completely remodeling the exterior and the interior of the old transmission shop located at 1824 Broadway.

The building at 1824 Broadway is approximately 70 years old. San Saba Cap currently removed all of the existing awnings and exterior sheds. We have completely updated all of the heat, air conditioning and all electrical wiring and panels.

The next phase will involve adding approximately 1250 square feet. In this phase we will also re roof the entire building and update the curbside and side exterior. The new exterior will complement our existing San Saba Cap location.

San Saba Cap is in the permitting phase with the City of Kerrville. San Saba Cap has secured financing with HCSB. San Saba Cap will start new construction as soon as we are permitted.

I believe this will be a great addition the eastern gateway to the City Kerrville. I thank all of you for your consideration.

Sincerely,

John R. Baker

www.SanSabaCap.com
1.800.654.5699
1818 Broadway, Kerrville, Texas



**APPLICATION FOR 4B SALES TAX FUNDS
CITY OF KERRVILLE
ECONOMIC IMPROVEMENT CORPORATION**

**Commercial Improvement Program
Application**

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**City of Kerrville Economic Improvement Corporation
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Kerrville, Texas 78028
830.257.8000**

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APPLICATION

SECTION I - APPLICANT INFORMATION

Submittal Date: September 10, 2010

Company Information

Company Name/Organization: A&D Properties #2

Address (City/State): P.O. Box 290743

Kerrville, Tx 78029-0743

Telephone: 830/896-8888

E-mail: hbrink@ktc.com

SECTION IV - PROJECT DESCRIPTION

Please attach a statement on company letterhead and signed by an officer of the company (1) fully explaining the nature and scope of the project; (2) describing the proposed site and existing improvements, or if; (3) the project is a demolition provide a description of the project.

Should this project be approved, the Economic Improvement Corporation may require performance criteria as a part of the funding agreement, in addition to this application. The funding agreement is between the Economic Improvement Corporation and the City of Kerrville. Said funding agreement will outline project costs, timelines, other information may be necessary to carry out the project in an efficient manner.

Estimated cost of the project: \$40,000 to \$70,000

Amount of 'sweat equity' hours at \$15.00 per hour \$3300

State date September 20, 2010

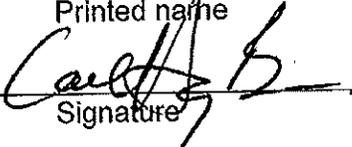
Grant requires completion in 90 days from the approval date. Project can be started as soon as application is made but there is no guarantee it will be approved.

Current use of the property and/or proposed use Current use is apartments, proposed use bank, convenience store with gas sales, retail
Property zoned for PD attached

Plan to purchase materials locally and use local labor. Yes X No

I understand the grant will be funded as a reimbursement after the project is completed and will be based on a percentage of the actual cost, which is 40% of demolition projects or 20% of renovation projects.

The above information is true and correct to the best of my knowledge.

CAR HARVEY BRIMMAN
Printed name

Signature

Sept 2, 2010
Date

For additional information visit the City's website at www.kerrvilletx.gov or call 830.792.8343.

5.13.10

September 2, 2010

City of Kerrville
Economic Improvement Corporation
800 Junction Hwy
Kerrville TX 78028

Subject: Application for Commercial Improvement Program

Dear EIC board and Staff:

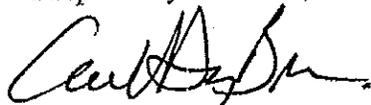
We respectfully submit this request for CIP funding to assist in the demolition of the Parkway Apartments located at the corner of Loop 534 and Hwy 27 (Memorial Blvd). A & D Properties #2 has owned these apartments since 1999. However, the continuing deterioration, despite all efforts, makes demolition of these apartments the only viable option. It has become clear that this is a "quality of life" issue for the tenants, and we believe the community at large will benefit from the clean up of this property.

Included with this proposal are a site plan of the existing apartments and an aerial view of the area. The demolition will proceed in five phases:

1) relocating the tenants, 2) addressing any environmental issues, 3) removing any salvageable and recyclable items from the interiors, 4) recycling the exterior brick of the buildings and other salvageable materials, and 5) bringing in heavy equipment for the final demolition and removal to the landfill.

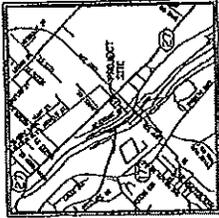
A & D Properties #2 trusts that you will consider this request. We are available to answer any questions and conduct a tour if desired.

Respectfully submitted,

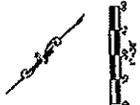


Carl Harvey Brinkman

Partner and Managing Partner,
A & D Properties #2

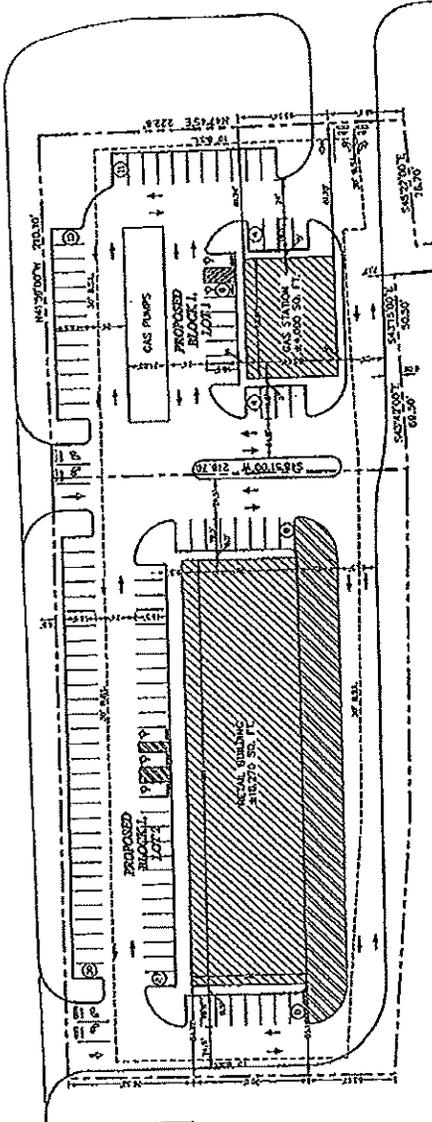


PROJECT SITE
SECURITY MAP
FOR THE PROJECT

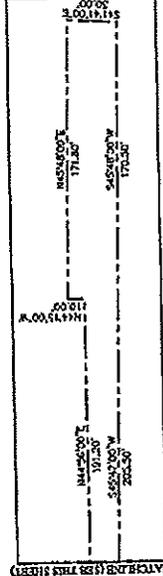


MEMORIAL BLVD. (ST. HWY. NO. 27)

ST. HWY. LOOP 534



MATCHLINE (SEE THIS SHEET)



LEGEND

SYMBOL	DESCRIPTION
(Symbol)	EXISTING PROPERTY LINE
(Symbol)	PROPOSED PROPERTY LINE
(Symbol)	EXISTING DRIVEWAY
(Symbol)	PROPOSED DRIVEWAY
(Symbol)	EXISTING SIDEWALK
(Symbol)	PROPOSED SIDEWALK
(Symbol)	EXISTING UTILITY
(Symbol)	PROPOSED UTILITY
(Symbol)	EXISTING CURB
(Symbol)	PROPOSED CURB
(Symbol)	EXISTING FENCE
(Symbol)	PROPOSED FENCE
(Symbol)	EXISTING WALL
(Symbol)	PROPOSED WALL
(Symbol)	EXISTING POLE
(Symbol)	PROPOSED POLE
(Symbol)	EXISTING SIGN
(Symbol)	PROPOSED SIGN
(Symbol)	EXISTING TREE
(Symbol)	PROPOSED TREE
(Symbol)	EXISTING SHED
(Symbol)	PROPOSED SHED
(Symbol)	EXISTING GARAGE
(Symbol)	PROPOSED GARAGE
(Symbol)	EXISTING PORCH
(Symbol)	PROPOSED PORCH
(Symbol)	EXISTING DECK
(Symbol)	PROPOSED DECK
(Symbol)	EXISTING PATIO
(Symbol)	PROPOSED PATIO
(Symbol)	EXISTING DRIVE
(Symbol)	PROPOSED DRIVE
(Symbol)	EXISTING WALKWAY
(Symbol)	PROPOSED WALKWAY
(Symbol)	EXISTING BIKEWAY
(Symbol)	PROPOSED BIKEWAY
(Symbol)	EXISTING TRAIL
(Symbol)	PROPOSED TRAIL
(Symbol)	EXISTING FENCE
(Symbol)	PROPOSED FENCE
(Symbol)	EXISTING WALL
(Symbol)	PROPOSED WALL
(Symbol)	EXISTING POLE
(Symbol)	PROPOSED POLE
(Symbol)	EXISTING SIGN
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(Symbol)	PROPOSED PATIO
(Symbol)	EXISTING DRIVE
(Symbol)	PROPOSED DRIVE
(Symbol)	EXISTING WALKWAY
(Symbol)	PROPOSED WALKWAY
(Symbol)	EXISTING BIKEWAY
(Symbol)	PROPOSED BIKEWAY
(Symbol)	EXISTING TRAIL
(Symbol)	PROPOSED TRAIL

BOUNDARIES

1. 144°13'00" W 110.00'
2. 107°20'0" W 197.20'
3. 265°20'0" W 202.30'
4. 171.60'
5. 171.60'
6. 171.60'

MEMORIAL VILLAGE
 OWNERS / DEVELOPER
 HERNDAN COMMERCIAL PROPERTIES
 1400 84th Ave
 Dallas, TX 75244
 (214) 342-4444

ENGINEER
 VORDEBAUM
 ENGINEERING, INC.
 1400 84th Ave
 Dallas, TX 75244
 (214) 342-4444

DATE: 02/05/08
 SHEET: 513-A-01

NOTES:
 1. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
 2. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
 3. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
 4. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.



PARKWAY APARTMENTS



**EDMUND
JENSCHKE
INCORPORATED**

CONSERVATION CONTRACTOR
225 Loop 534 • Kerrville, Texas 78028 • 830-896-6706 fax 830-896-2135

Date: 07/20/2010

Brinkman Commercial Properties
821 A Earl Garret Street
Kerrville, Texas 78028

We hereby submit specifications and estimates for:
Proposed demolition and clean up of Parkway Apartments.

Contractor to supply equipment, skilled operators, and insurance for the demolition, removal, and clean up of approximately 7,000 square feet of existing buildings. Contractor to leave site in neat clean appearance upon completion.

Proposed demolition and haul off, no hazardous waste, <i>NO ASBESTOS</i> .	\$	44,600.00
Contractor to provide a hazardous material survey.	\$	2,800.00

Exclusions: Utilities disconnections (electrical, sewer, water, and gas) *HAZARDOUS MATERIALS*.

Estimated Job Total: \$ 47,400.00

Please Note: Before construction can begin, underground utilities must be located by owners' authorized agent. Edmund Jenschke Inc. will not be held responsible for damage to underground utilities unless such are clearly marked. Owner will be backed charged for any time loss due to delays because of damage to underground utilities.

ACCEPTANCE OF PROPOSAL

The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do work as specified.

Date: _____

Signature: _____

Signature: 

NOTE: THIS PROPOSAL MAY BE WITHDRAWN BY US IF NOT ACCEPTED WITHIN 30 DAYS.

JRamon & Sons, Inc.

Demolition & Site Preparation

"A Family Business Since 1945"

1325 Frio City Road
San Antonio, Texas 78226
(210) 225-1583 Fax: 225-7955

Brinkman Commercial Properties
821-A Earl Garrett.
Kerrville, Texas 78028

27 July 2010

Attn: Mr. Harvey Brinkman
hbrink@ktc.com
(830) 896-8888

Demolition of the Parkway Apartment Buildings
Located: 3135 Memorial Blvd. (Hwy 27) @ Loop 534, Kerrville, TX.

The contractor purposes to furnish all supervision, technical personnel, labor, materials, machinery, tools, equipment and services, including utility and transportation services, to perform and complete all work required for the scope of work listed below in an efficient and workman like manner.

SCOPE OF WORK

The scope of work to be completed under this contract includes the demolition and removal of three one story commercial structures, totaling approximately 15,000 square feet, located at the above referenced address. This proposal includes removal of concrete foundations, miscellaneous slabs up to 2 feet below existing grade and seven trees. All debris generated from demolition operations will be properly disposed of in a certified legal landfill or recycled in a certified and legal manner.

All work under this contract is to be complete within 20 days of issuance of work order and city permits. Prior to demolition, the owner is to notify Ramon at least ten days in advance for scheduling purposes.

The Owner is responsible for supplying Ramon with an Environmental survey, concerning Asbestos containing materials, of the structures to be demolished.

The Owner is to have all utilities disconnected to all structures being demolished prior to the commencement of demolition operations. The contractor is to verify that all utilities have been properly disconnected to allow for safe demolition. In the event a utility is still in operation, the Contractor shall notify the Owner or Owner's representative for prompt removal. Contractor will have sewer line(s) capped/ plugged in accordance with City of Kerrville Demolition Permit requirements.

The term "salvage" means all building materials, equipment, fixtures, and appliances incorporated in the building and structure to be demolished, and located upon the real property within the demolition area, which the contractor deems as having sufficient value to justify the reclaiming. All salvage becomes the property of the contractor.

SAFETY AND INSURANCES

The contractor shall exercise proper precautions at all times for the protection of persons and property and shall be responsible for all damages to persons or property, either off or on the site, which occur as a direct result of his negligence in connection with the prosecution of the work.

The safety provisions of applicable laws and building construction codes shall be observed and the contractor shall take or cause to be taken such additional safety and health measures as the contractor may determine to be reasonable necessary. Machinery, equipment and all hazards shall be regarded in accordance with the safety provisions of the Demolition Safety Manual published by the *National Association of Demolition Contractors*, to the extent that such provisions are not in conflict with applicable laws.

The contractor shall defend and indemnify and save harmless the owner from any claims for damages resulting from property damage, bodily injury and/or death suffered or alleged to have been suffered by any person as a result of any work conducted under this contract.

The contractor shall carry Workmen's compensation Insurance for all employees in accordance with Texas Worker's Compensation Laws.

The Contractor shall carry General Liability Insurance with the limits of \$1,000,000 per person and \$2,000,000 per accident to protect the contractor against claims from the injury to or death of one or more than one person because of accidents which may occur or result from the operations under this contract. Such insurance shall cover the use of all equipment, including but not limited to excavating machinery, loading machinery, cranes, hoist, and motor vehicles, used in the performance of the specifically stated demolition and site clearance operations.

The contractor shall carry during the life of the contract; Property Damage Insurance is an amount of not less than \$ 1,000,000 and \$ 1,000,000 in aggregate, to protect him from claims for property damage which might arise from the operations under this contract.

The Contractor shall also carry an Excess Liability Insurance Policy with limits of \$2,000,000 or higher. Upon request, a certificate of insurance will be supplied. The Owner and his agents will be listed as additionally insured and be provided a Waiver of Subrogation for an additional clerical fee.

EXCLUDED ITEMS

The providing, placing or handling of backfilled material is not included in this contract. The removal of asphalt parking and concrete paving are not included in this contract. The providing of a landscape plan, requirements of a tree preservation plan, or the removal, handling or disposal of trees, unless otherwise specifically addressed in the above scope of work, is not included in this contract. The disconnecting, rerouting, capping or plugging of utilities are not included in this proposal.

This proposal does not include the removal, and handling and/or disposal cost of environmental concerning materials, such as Freon gases, asbestos, lead, PCB's, UST's, contaminated soils or any other regulated substances.

PAYMENT

Payments of said invoices are to be received within fifteen (15) calendar days of the date of invoice. No retainage is to be held. Owner acknowledges the scope of work performed under this contract is considered property improvement and is subject to all applicable laws governing the Mechanic's and Materialmen's Liens

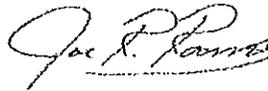
BASE BID

We will furnish all equipment and labor, in accordance with the above specifications to complete the scope of work for the Lump Sum of:

Base Bid:
Fifty Five Thousand Seven Hundred and Sixty Dollars \$ 55,760.00

This contract has been prepared for the protection of both parties. If you have any questions concerning addressed or unaddressed items or issues, it is highly recommended that negotiations be made to resolve them prior to finalizing this document. This proposal is valid through September 30, 2010.

Respectfully Submitted,



Joe R. Ramon III
Project Manager / Estimator

ACCEPTANCE

As an authorized agent of the above referenced property, I hereby accept and agree with all of the above provisions, specifications, and conditions.

Name Title Date

WITNESSED

Notary Public (Sealed) My Commission expires on _____

Visit us at www.ramondemolition.com

MIKE LOWREY CONSTRUCTION
530 WESTWAY DRIVE
KERRVILLE, TEXAS 78028
830-257-4746
CELL: 830-739-3621

Brinkman Commercial Properties
821-A Earl Garrett
Kerrville, Texas 78028

Re: Demolition of Parkway Apartments; Corner of Loop 534 and Highway
27

Demo brick siding from apartment and all concrete hauled off to private
dump site @ \$35.00 per load (dump fee). All other building materials
(lumber, roofing, etc.) to city landfill @ \$49.14 per ton (as of 8-27-10).
Dump fee tickets presented to owners weekly for payment or account set up
by owners at landfill. Salvage of brick, steel pipe or any other materials to
remain on site at owner's discretion.

All machine labor provided by Mike Lowrey as needed for demo (dozer,
loader, backhoe and dump truck). Loader and truck combo at \$125.00 per
hour. All other single machines such as dozer or backhoe at \$85.00 per
hour. Machines and truck labor not to exceed \$15,000.00, plus dump fee
costs. Site to be cleaned and hauled off of all building debris.

All utilities will be located and disconnected prior to start of demo. Call to
dig test required. (800-344-8377)

Permits, if required, provided by Owners.

Dump fee to be paid weekly to Mike Lowrey or account set up by Owners
Machine labor to be paid in full at completion of job

Dated: August 27, 2010

ADMINISTRATIVE SERVICES CONTRACT BETWEEN CITY OF KERRVILLE, TEXAS AND CITY OF KERRVILLE, TEXAS ECONOMIC IMPROVEMENT CORPORATION

THIS CONTRACT is entered effective as of the 1st day of October, 2010, by and between the City of Kerrville, Texas, ("City") and the City of Kerrville, Texas Economic Improvement Corporation ("EIC") for and in consideration of the following promises and conditions:

ARTICLE I
SERVICES PROVIDED BY CITY

City agrees to provide the following services to the EIC subject to the limitations and conditions set forth below:

1. Engineering and Project Management Services: City agrees to provide engineering services, including, but not limited to, design, bid, and construction phases for EIC projects; provided, however, for projects which will require an expenditure of more than \$25,000.00 for construction, specialized engineering services and administration, or supervision and/or coordination of contracts between the EIC and consulting engineers, prior approval of the City Manager shall be required before commencement of such services. City further agrees to provide the necessary labor and overhead to conduct project management services for all projects which are authorized by the EIC to be funded in whole or in part by sales tax revenues generated pursuant to the authority of Chapters 501, 502, and 505 of the Texas Local Government Code, as amended.
2. Legal Services: City agrees the City Attorney will be the legal advisor of, and attorney for, the EIC, which representation will include review of documents, contracts, and other instruments as to form and legality, and conduct of legal research and, if requested, issuance of legal memoranda or opinions. In the provision of legal services by the City Attorney, the City Attorney shall provide such services only if the provision of legal services to the EIC does not unreasonably impair his ability to provide legal services to the City. Furthermore, in the event the City Attorney determines that a legal or ethical conflict exists between the City and the EIC, the EIC agrees that the City Attorney may continue to represent the City on such matter notwithstanding such conflict provided the City Attorney has made reasonable disclosure of the conflict to the president of the EIC. Notwithstanding this paragraph, EIC shall at all times retain the right to hire counsel of its own choice at EIC expense.
3. Financial Services: City agrees to provide accounting services, including, but not limited to, accounts receivable, accounts payable, investments, record keeping, and financial reporting and audit.
4. Administrative Services: City agrees to provide the services of the City Manager on an as needed basis for meetings and consultation. In addition, the City Manager's office shall provide secretarial and other clerical services, including, but not limited to, taking minutes and preparation of resolutions and correspondence related to the operation of the EIC.

ARTICLE II
COMPENSATION

In consideration of the provision by City to EIC of the services described in Article I, above, EIC agrees to pay to City the sum of \$75,000.00. It is agreed by the parties hereto that the compensation described in this Article II is equal to the reasonable value of the services anticipated to be provided by City to the EIC. City shall deduct the payment required hereunder upon receipt of said sales tax revenues from the Comptroller of Public Accounts for the State of Texas.

ARTICLE III
TERM

The Term of this Contract shall commence on October 1, 2010, and end on September 30, 2011, subject to earlier termination as herein provided, and extension by agreement of the parties hereto.

ARTICLE IV
TERMINATION

This Contract may be terminated by the City or EIC for any reason, with or without cause, not earlier than thirty (30) days prior to delivery to the non-terminating party of a written notice of termination. EIC agrees to pay City the reasonable cost of services rendered by City up to the date of termination.

ARTICLE V
GOVERNING LAW

This Contract shall be governed by and construed in accordance with the laws of the State of Texas.

IN WITNESS WHEREOF, the parties hereto have executed this Contract in the year and as of the date indicated.

CITY OF KERRVILLE, TEXAS

CITY OF KERRVILLE, TEXAS ECONOMIC
IMPROVEMENT CORPORATION

By: _____
Jeffrey Todd Parton, City Manager

By: _____
Bill Crumrine, President

ATTEST:

ATTEST:

Brenda G. Craig, City Clerk

Alan Massey, Secretary-Treasurer

APPROVED AS TO FORM:

Michael C. Hayes, City Attorney

**CITY OF KERRVILLE, TEXAS REGULAR MEETING
ECONOMIC IMPROVEMENT CORPORATION**

August 16, 2010

On Monday, August 16, 2010, the meeting of the directors of the City of Kerrville, Texas Economic Improvement Corporation, was called to order at 4:00 p.m. by Bill Crumrine, President, in the City Hall Council Chambers, 800 Junction Highway, Kerrville, Texas.

Members Present:

Bill Crumrine, President
Jack Pratt, Vice President
Alan Massey, Secretary /Treasurer
Gregg Appel
Rex Boyland
Warren Ferguson
Robert Miller

Members Absent:

None

Staff Present

Todd Parton, City Manager
Mike Erwin, Director of Finance
Mindy Wendele, Director of Business Programs
Mike Wellborn, Director of Engineering
Teri Kinsey, Administrative Assistant to City Secretary

2. INVOCATION:

Given by President Bill Crumrine.

3. VISITORS FORUM:

Harvey Brinkman advised the Board that he would be submitting a Capital Improvement Funding request for demolition and clean-up.

4. PRESENTATION:

4A. Presentation concerning KEDF report on USDA-ARS U.S. Livestock Insects Research Laboratory project status.

Guy Overby, President of the KEDF, presented an update concerning the USDA project. The USDA regional board of directors were concerned whether or not EIC would continue to fund this project; if not, Kerrville would risk losing this facility. USDA requested funds for the 2012 budget; Congress has already spent \$3.5 million on design & engineering for this project and the total expenditure for this project was approximately \$40 million. Congressman Smith had requested full congressional support. The Board discussed the importance of the USDA research lab and ways to achieve additional support. Mr. Overby noted that since 2006, four trips had been taken consecutively to Washington, DC. The Board also asked what the annual payroll at the facility was; the average job is about \$74,000 per year, and direct and indirect impact on the Kerr community was about \$7 million.

5. APPROVE MINUTES:

5A. July 19, 2010

Mr. Pratt moved to accept the minutes of the July 19, 2010 meeting; Mr. Miller seconded, motion passed 7-0.

6. MONTHLY REPORTS:

6A. Monthly financials for July 2010

Mike Erwin presented the July 2010 financials. Mr. Pratt moved to accept the financials as presented; Mr. Ferguson seconded; motion passed 7-0.

6B. EIC construction project status

Mike Wellborn presented the July 2010 construction project status report. The construction report was accepted by consensus.

7. INFORMATION AND DISCUSSION:

7A. Update on the recommendation from Patterson and Associates for EIC to set up a separate investment portfolio.

Mr. Erwin noted that EIC funds were subject to the Public Funds Investment Act, which allowed for several areas of investment e.g. TexPool and TexStar. Mr. Erwin explained that Linda Patterson, the city's investment advisor, suggested EIC have a separate portfolio. Linda Patterson will attend the September meeting and would be better able to answer their questions pertaining to the requirements of investing.

The Board questioned why EIC can not accept a pledge over \$250,000? Mr. Erwin advised that was just the FDIC's ruling on the matter. It was also noted according to the Attorney General, EIC were not eligible for collateralization under state statute. EIC was not a public entity, but did control public funds. The Board asked staff to research what other Economic Improvements entities were doing regarding investment policies.

The following public comments were made:

- Mr. David Williams stated that under the Texas Public Funds Investment Act any securities that were eligible investments under that act were eligible to be purchased under a repurchase agreement.

Consensus of the Board was to have Mr. Erwin report on the city council's action on the proposed investment policy, and to schedule Ms. Patterson to attend the September EIC meeting.

7B. Update on Convention Center Review Panel.

Mr. Ferguson reported that there was little information at this time; negotiations with Hunter Equity were proceeding.

7C. Update on Kerrville Economic Development Council.

Mr. Pratt reported that the Kerrville Economic Development Corporation was in the process of appointing an Executive Director. Presentations were made to the Chamber of Commerce, KISD, KPUB and City Council on the progress establishing the KEDC.

7D. Discussion pertaining to the Lower Colorado River Authority's application to amend its Certificate of Convenience and Necessity.

The Board made an official statement against the proposed LCRA CREZ line through the city of Kerrville or the community due to the negative economic impact it would have. The Board supported the city's position.

8. EXECUTIVE SESSION:

Mr. Ferguson moved that the Economic Improvement Corporation go into executive closed session under sections 551.071 (consultation with attorney), 551.072 (deliberation regarding real property), and 551.087 (deliberation regarding economic

development negotiations) of Chapter 551 of the Government Code of the State of Texas; Mr. Pratt seconded; motion passed 7-0 to discuss the following matters:

Sections 551.071, 551.072 and 551.087:

- Negotiations with Hunter Equity regarding the construction of a multi-purpose meeting facility for the city of Kerrville.

Sections 551.071, 551.072 and 551.087:

- Economic development grant/loan agreement between Kerr Economic Development Foundation, Inc. and the City of Kerrville, Texas Economic Improvement Corporation (USDA Facility).

At 4:55 p.m. the regular meeting recessed and the Board went into executive closed session at 4:56 p.m. At 5:41 p.m.; the executive closed session recessed and the Board returned to open session at 5:42 p.m. The chairman announced that no action had been taken in executive session.

9. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION: None

10. ADJOURNMENT:

Mr. Pratt moved to adjourn the meeting; Mr. Boyland seconded; motion passed 7-0. The meeting adjourned at 5:44 PM.

APPROVED: August 16, 2010

Bill Crumrine
President

Teri Kinsey
Admin. Assist. to the City Secretary

CITY OF KERRVILLE
Economic Improvement Corporation
Sales Tax Improvement Fund

Cash Balance as of August 1, 2010		\$ 1,938,684
Deposits:		
Sales Tax	\$ 221,711	
Interest Revenue	<u>\$ 4,057</u>	
	\$ 225,769	
Expenses:		
Office Supplies	\$ -	
Administrative Service Fee	\$ 31,250	
Special Services - Category 1	\$ -	
Special Services - Category 2	\$ -	
Transfer for Debt Service	<u>\$ 42,083</u>	
Total Expenses	\$ 73,333	
Revenues Over (Under) Expenditures		<u>\$ 152,435</u>
Ending Cash Balance as of August 31, 2010		<u><u>\$ 2,091,119</u></u>

CITY OF KERRVILLE
FINANCIAL STATEMENT
AS OF: AUGUST 31ST, 2010

40 -SALES TAX IMPROVEMENT
REVENUES

	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACT & EN C	% OF BUDGET	BUDGET BALANCE
<u>TAX REVENUE</u>					
40-6113 SALES AND USE TAX	<u>2,562,000.00</u>	<u>221,711.36</u>	<u>2,057,670.93</u>	80.32	<u>504,329.07</u>
TOTAL TAX REVENUE	2,562,000.00	221,711.36	2,057,670.93	80.32	504,329.07
<u>INTEREST AND MISCELLANEOU</u>					
40-6901 AIRPORT COMMERCE PARK	0.00	0.00	0.00	0.00	0.00
40-6911 INTEREST REVENUE	45,000.00	4,057.45	25,227.78	56.06	19,772.22
40-6912 INTEREST ON LOAN	0.00	0.00	0.00	0.00	0.00
40-6989 MISCELLANEOUS REVENUE	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL INTEREST AND MISCEL	45,000.00	4,057.45	25,227.78	56.06	19,772.22
<u>TRANSFERS IN</u>					
40-7001 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
40-7014 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
40-7041 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
40-7042 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
40-7070 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
40-7074 TRANSFER IN -AIRPORT CIP	0.00	0.00	0.00	0.00	0.00
40-7075 TRANSFER IN	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL TRANSFERS IN	0.00	0.00	0.00	0.00	0.00
*** TOTAL REVENUES ***	2,607,000.00	225,768.81	2,082,898.71	79.90	524,101.29

CITY OF KERRVILLE
FINANCIAL STATEMENT
AS OF: AUGUST 31ST, 2010

40 -SALES TAX IMPROVEMENT
00-NON-DEPARTMENTAL
DEPARTMENT EXPENSES

	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACT & EN C	% OF BUDGET	BUDGET BALANCE
<u>SUPPLIES</u>					
40-800-101 OFFICE SUPPLIES	0.00	0.00	32.00	0.00	(32.00)
TOTAL SUPPLIES	0.00	0.00	32.00	0.00	(32.00)
<u>SERVICES</u>					
40-800-305 LEGAL SERVICES	0.00	0.00	0.00	0.00	0.00
40-800-306 SPECIAL SERVICES	100,000.00	31,250.00	93,750.00	93.75	6,250.00
40-800-306-01 SPEC SERVICES-CATEGORY 1	0.00	0.00	19.80	0.00	(19.80)
40-800-306-02 SPECIAL SERVICES	0.00	0.00	0.00	0.00	0.00
40-800-316-01 ADVERTISING-CATEGORY 1	0.00	0.00	0.00	0.00	0.00
TOTAL SERVICES	100,000.00	31,250.00	93,769.80	93.77	6,230.20
<u>OTHER EXPENSES</u>					
40-800-405 OTHER CHARGES	0.00	0.00	0.00	0.00	0.00
40-800-410 CONTINGENCY	500,000.00	0.00	0.00	0.00	500,000.00
40-800-428 CHANGE IN ACCRUED INTERES	0.00	0.00	0.00	0.00	0.00
TOTAL OTHER EXPENSES	500,000.00	0.00	0.00	0.00	500,000.00
<u>EXP CATG 6</u>					
40-800-601 ALLOCATION FOR NEW PROJEC	0.00	0.00	0.00	0.00	0.00
40-800-602 LIFT STATION IMPROVEMENTS	0.00	0.00	0.00	0.00	0.00
40-800-603 NORTH STREET IMPROVEMENTS	0.00	0.00	0.00	0.00	0.00
40-800-604 AIRPORT	0.00	0.00	0.00	0.00	0.00
40-800-605 BROADWAY WATER (INACTIVE)	0.00	0.00	0.00	0.00	0.00
40-800-606 HOLDSWORTH DRIVE	0.00	0.00	0.00	0.00	0.00
40-800-607 THOMPSON DRIVE SIDEWALKS	0.00	0.00	0.00	0.00	0.00
40-800-608 LIBRARY IMPROVEMENTS	0.00	0.00	0.00	0.00	0.00
40-800-609 PARK LANE EXTENSION	0.00	0.00	0.00	0.00	0.00
40-800-611 BLACKWELL STATION RELOCAT	0.00	0.00	0.00	0.00	0.00
40-800-612 ASR Well	0.00	0.00	0.00	0.00	0.00
40-800-613 G STREET BRIDGE	0.00	0.00	0.00	0.00	0.00
40-800-614 ASR WELL #2	0.00	0.00	0.00	0.00	0.00
40-800-615 LOOP 534 PHASE III	0.00	0.00	0.00	0.00	0.00
40-800-616 ASR WELL #3	0.00	0.00	0.00	0.00	0.00
TOTAL EXP CATG 6	0.00	0.00	0.00	0.00	0.00
<u>TRANSFERS OUT</u>					
40-800-901 TRANSFER OUT - ADMIN. SER	0.00	0.00	0.00	0.00	0.00
40-800-914 TRANSFER OUT	0.00	0.00	0.00	0.00	0.00
40-800-943 TRANSFER OUT-DEBT SERVICE	505,000.00	42,083.33	462,916.63	91.67	42,083.37
40-800-947 TRANSFER OUT	0.00	0.00	0.00	0.00	0.00
40-800-970 TRANSFER OUT	0.00	0.00	0.00	0.00	0.00
40-800-971 TRANSFER OUT	0.00	0.00	0.00	0.00	0.00
40-800-974 TRANSFER OUT	0.00	0.00	0.00	0.00	0.00
40-800-975 TRANSFER OUT	0.00	0.00	0.00	0.00	0.00
40-800-975-01 TRANSFER OUT-CATEGORY 1	1,067,000.00	0.00	133,262.00	12.49	933,738.00
40-800-975-02 TRANSFER OUT-CATEGORY 2	300,000.00	0.00	400,000.00	133.33	(100,000.00)
40-800-975-03 TRANSFER OUT-CATEGORY 3	1,471,038.00	0.00	0.00	0.00	1,471,038.00

CITY OF KERRVILLE
 FINANCIAL STATEMENT
 AS OF: AUGUST 31ST, 2010

40 -SALES TAX IMPROVEMENT
 00-NON-DEPARTMENTAL
 DEPARTMENT EXPENSES

	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACT & EN C	% OF BUDGET	BUDGET BALANCE
40-800-975-04 TRANSFER OUT - CONTINGENC	0.00	0.00	0.00	0.00	0.00
40-800-994 TRANSFER OUT	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL TRANSFERS OUT	3,343,038.00	42,083.33	996,178.63	29.80	2,346,859.37
<hr/>					
TOTAL 00-NON-DEPARTMENTAL	<u>3,943,038.00</u>	<u>73,333.33</u>	<u>1,089,980.43</u>	<u>27.64</u>	<u>2,853,057.57</u>
<hr/>					
*** TOTAL EXPENSES ***	<u>3,943,038.00</u>	<u>73,333.33</u>	<u>1,089,980.43</u>	<u>27.64</u>	<u>2,853,057.57</u>

BALANCE SHEET

AS OF: AUGUST 31ST, 2010

40 -SALES TAX IMPROVEMENT

ASSETS

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10100	CLAIM ON CONSOLIDATED CASH	2,091,119.05
10300	INTEREST RECEIVABLE	0.00
10413	SALES TAX RECEIVABLE	367,198.60
14014	LOAN RECEIVABLE	<u>0.00</u>

TOTAL ASSETS 2,458,317.65

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LIABILITIES

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23000	ACCOUNTS PAYABLE PENDING	0.00
23011	ACCOUNTS PAYABLE PRIOR YEA	0.00
23400	ENCUMBRANCE ACCOUNT	0.00
23500	RESERVE FOR ENCUMBRANCES	0.00
23700	PRIOR YEAR ENCUMBRANCE	0.00
23800	PRIOR YEAR RESERVE ENCUMBR	0.00
24201	TOWN CREEK COMPANIES LLC	<u>0.00</u>

TOTAL LIABILITIES 0.00

FUND BALANCE

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35195	CONTRIBUTED CAPITAL	(685,003.01)
35197	FUND BALANCE	2,150,402.38
	SURPLUS (DEFICIT)	992,918.28

TOTAL FUND BALANCE 2,458,317.65

TOTAL LIABILITIES AND FUND BALANCE 2,458,317.65

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CITY OF KERRVILLE
 Economic Improvement Corporation
 SALES TAX REVENUE ANALYSIS

Month	Actual 07	FY Actual 08	FY Actual 09	FY Approved FY 10	Actual 10	FY 10 Actual	FY 10 Proj v. FY 10 Actual	% of Budget Variance
October	\$ 184,785	\$ 194,330	\$ 195,050	\$ 195,831	\$ 179,735	\$ (16,096)	-8.22%	
November	\$ 204,940	\$ 219,398	\$ 218,565	\$ 219,201	\$ 188,879	\$ (30,322)	-13.83%	
December	\$ 189,001	\$ 195,398	\$ 202,043	\$ 200,130	\$ 170,981	\$ (29,149)	-14.56%	
January	\$ 184,529	\$ 187,236	\$ 190,881	\$ 193,510	\$ 170,645	\$ (22,865)	-11.82%	
February	\$ 246,363	\$ 251,426	\$ 239,208	\$ 258,118	\$ 236,837	\$ (21,281)	-8.24%	
March	\$ 165,161	\$ 194,946	\$ 200,569	\$ 193,990	\$ 163,136	\$ (30,854)	-15.91%	
April	\$ 166,504	\$ 168,423	\$ 259,861	\$ 201,624	\$ 160,461	\$ (41,163)	-20.42%	
May	\$ 233,625	\$ 234,014	\$ 228,262	\$ 242,877	\$ 203,235	\$ (39,642)	-16.32%	
June	\$ 182,280	\$ 193,637	\$ 181,835	\$ 194,493	\$ 182,429	\$ (12,064)	-6.20%	
July	\$ 196,384	\$ 200,625	\$ 183,253	\$ 201,857	\$ 179,622	\$ (22,235)	-11.02%	
August	\$ 221,781	\$ 230,443	\$ 219,318	\$ 235,664	\$ 221,711	\$ (13,953)	-5.92%	
September	\$ 228,600	\$ 213,253	\$ 189,718	\$ 224,705				
Total	\$ 2,403,953	\$ 2,483,129	\$ 2,508,562	\$ 2,562,000	\$ 2,057,671	\$ (279,624)	-11.96%	

CITY OF KERRVILLE
Economic Improvement Corporation
Sales Tax Debt Service Fund

Cash Balance as of August 1, 2010		\$ 369,193
Revenues:		
Transfer from Sales Tax Improvements Fund	<u>\$ 42,083</u>	
Total Deposits	\$ 42,083	
Expenses:		
Bond Interest	<u>\$ 41,764</u>	
Total Expenses	\$ 41,764	
Revenues Over (Under) Expenditures:		<u>\$ 320</u>
Ending Cash Balance as of August 31, 2010		<u><u>\$ 369,513</u></u>

CITY OF KERRVILLE
Economic Improvement Corporation
Sales Tax Debt Service Fund
Revenue and Expense Statement
For the month ending August 31, 2010

	Annual Budget	Current Period	Y-T-D Actual	% of Budget	Budget Balance
BEGINNING CASH BALANCE	\$ 314,120		\$ 314,120		
REVENUE:					
Transfer from Sales Tax Improvement Fund	\$ 505,000	\$ 42,083	\$ 462,917	91.67%	\$ 42,083
Return of Equity - Park Lane Extension	\$ -		\$ 91,016	100.00%	\$ (91,016)
TOTAL REVENUE	\$ 505,000	\$ 42,083	\$ 553,932	109.69%	\$ (48,932)
EXPENDITURES:					
Series 1999 Sales Tax Bond Debt Service	\$ 405,000	\$ -	\$ 405,000	100%	\$ -
Series 1999 Sales Tax Bond Interest Expense	\$ 92,539	\$ 41,764	\$ 92,539	100%	\$ 0
Paying Agent Fees	\$ 1,000	\$ -	\$ 1,000	100%	\$ -
First Southwest Continuing Disclosure Fee	\$ -	\$ -	\$ -	-	\$ -
TOTAL EXPENDITURES	\$ 498,539	\$ 41,764	\$ 498,539	100.00%	\$ 0
ENDING CASH BALANCE: August 31, 2010	Budget \$ 320,581		Actual \$ 369,513		

	Pro Forma				
	2010	2011	2012	2013	2014
Beginning Cash Balance	\$ 314,120	\$ 317,081	\$ 318,722	\$ 320,156	\$ 322,408
Revenue					
Transfer from Sales Tax Improvement Fund	\$ 505,000	\$ 505,000	\$ 505,000	\$ 505,000	\$ 178,500
Total Revenue	\$ 505,000	\$ 505,000	\$ 505,000	\$ 505,000	\$ 178,500
Expenditures:					
Series 1999 Sales Tax Bond Debt Principal	\$ 405,000	\$ 425,000	\$ 445,000	\$ 465,000	\$ 485,000
Series 1999 Sales Tax Bond Debt Interest	\$ 92,539	\$ 73,859	\$ 54,066	\$ 33,248	\$ 11,276
Paging Agent Fees	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Continuing Disclosure Fee	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500
	\$ 502,039	\$ 503,359	\$ 503,566	\$ 502,748	\$ 500,776
Revenue over expenditures	\$ 2,961	\$ 1,641	\$ 1,434	\$ 2,252	\$ (322,276)
Ending Cash Balance	\$ 317,081	\$ 318,722	\$ 320,156	\$ 322,408	\$ 132

CITY OF KERRVILLE
 FINANCIAL STATEMENT
 AS OF: AUGUST 31ST, 2010

43 -EIC DEBT SERVICE
 REVENUES

	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACT & EN C	% OF BUDGET	BUDGET BALANCE
<u>INTEREST AND MISCELLANEOU</u>					
43-6911 INTEREST INCOME	0.00	0.00	0.00	0.00	0.00
TOTAL INTEREST AND MISCEL	0.00	0.00	0.00	0.00	0.00
<u>TRANSFERS IN</u>					
43-7005 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
43-7007 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
43-7008 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
43-7010 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
43-7013 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
43-7015 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
43-7019 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
43-7020 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
43-7025 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
43-7026 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
43-7027 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
43-7028 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
43-7030 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
43-7040 TRANSFER IN	505,000.00	42,083.33	462,916.63	91.67	42,083.37
43-7047 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
43-7050 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
43-7065 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
43-7066 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
43-7068 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
43-7071 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
43-7075 TRANSFER IN	0.00	0.00	91,015.55	0.00	(91,015.55)
43-7088 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
43-7099 UNRESERVED FUND BALANCE	0.00	0.00	0.00	0.00	0.00
TOTAL TRANSFERS IN	505,000.00	42,083.33	553,932.18	109.69	(48,932.18)
*** TOTAL REVENUES ***	505,000.00	42,083.33	553,932.18	109.69	(48,932.18)

CITY OF KERRVILLE
 FINANCIAL STATEMENT
 AS OF: AUGUST 31ST, 2010

43 -EIC DEBT SERVICE
 00-NON-DEPARTMENTAL
 DEPARTMENT EXPENSES

	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACT & EN C	% OF BUDGET	BUDGET BALANCE
<u>SERVICES</u>					
43-800-306 SPECIAL SERVICES	0.00	0.00	0.00	0.00	0.00
TOTAL SERVICES	0.00	0.00	0.00	0.00	0.00
<u>OTHER EXPENSES</u>					
43-800-405 PAYING AGENT FEE	1,000.00	0.00	1,000.00	100.00	0.00
43-800-426-99 BOND EXPENSE	405,000.00	0.00	405,000.00	100.00	0.00
43-800-429-99 INTEREST EXPENSE	92,539.00	41,763.75	92,538.75	100.00	0.25
TOTAL OTHER EXPENSES	498,539.00	41,763.75	498,538.75	100.00	0.25
<u>TRANSFERS OUT</u>					
43-800-902 TRANSFER OUT	0.00	0.00	0.00	0.00	0.00
43-800-940 TRANSFER OUT	0.00	0.00	0.00	0.00	0.00
43-800-942 TRANSFER OUT	0.00	0.00	0.00	0.00	0.00
TOTAL TRANSFERS OUT	0.00	0.00	0.00	0.00	0.00
<hr/>					
TOTAL 00-NON-DEPARTMENTAL	498,539.00	41,763.75	498,538.75	100.00	0.25
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*** TOTAL EXPENSES ***	498,539.00	41,763.75	498,538.75	100.00	0.25
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BALANCE SHEET

AS OF: AUGUST 31ST, 2010

43 -EIC DEBT SERVICE

ASSETS

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10100	CLAIM ON CONSOLIDATED CASH	<u>369,513.04</u>	
	TOTAL ASSETS		<u>369,513.04</u>

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LIABILITIES

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23000	ACCOUNTS PAYABLE PENDING	0.00	
23400	ENCUMBRANCE ACCOUNT	0.00	
23500	RESERVE FOR ENCUMBRANCES	0.00	
23700	PRIOR YEAR ENCUMBRANCE	0.00	
23800	PRIOR YEAR RESERVE ENCUMBR	<u>0.00</u>	
	TOTAL LIABILITIES		<u>0.00</u>

FUND BALANCE

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35197	FUND BALANCE	314,119.61	
	SURPLUS (DEFICIT)	55,393.43	
	TOTAL FUND BALANCE		<u>369,513.04</u>

TOTAL LIABILITIES AND FUND BALANCE			<u>369,513.04</u>
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CITY OF KERRVILLE
Economic Improvement Corporation
EIC Capital Projects Fund

Cash Balance as of August 1, 2010		\$ 3,117,802
Revenues:		
None	\$	-
Total Revenues/Transfer In	\$	-
Expenses:		
Services		
Special Services		
Harper Road Utility Extension	\$	228,161
Hill Country Home Opportunity	\$	11,716
	\$	<u>239,877</u>
Capital Outlay		
Capital Outlay Total	\$	-
Total Expenses	\$	239,877
Revenue Over (Under) Expenditures		<u>\$ (239,877)</u>
Ending Cash Balance as of August 31, 2010		<u><u>\$ 2,877,926</u></u>

CITY OF KERRVILLE
 FINANCIAL STATEMENT
 AS OF: AUGUST 31ST, 2010

75 -EIC PROJECTS FUND
 REVENUES

	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACT & EN C	% OF BUDGET	BUDGET BALANCE
<u>INTERGOVERNMENTAL REVENUE</u>					
75-6306 TXDOT REIMBURSEMENT	0.00	0.00	0.00	0.00	0.00
75-6323 KPUB-GRANT	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL INTERGOVERNMENTAL R	0.00	0.00	0.00	0.00	0.00
<u>INTEREST AND MISCELLANEOU</u>					
75-6900 OTHER FINANCING-DEBT	0.00	0.00	0.00	0.00	0.00
75-6901 PARTICIPANT CONTRIBUTION	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL INTEREST AND MISCEL	0.00	0.00	0.00	0.00	0.00
<u>TRANSFERS IN</u>					
75-7001 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
75-7002 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
75-7005 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
75-7007 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
75-7008 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
75-7010 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
75-7013 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
75-7015 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
75-7019 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
75-7020 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
75-7025 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
75-7026 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
75-7027 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
75-7028 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
75-7030 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
75-7040 TRANSFER IN	0.00	0.00	533,262.00	0.00	(533,262.00)
75-7041 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
75-7042 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
75-7047 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
75-7050 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
75-7065 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
75-7066 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
75-7068 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
75-7070 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
75-7071 TRANSFER IN	0.00	0.00	345,259.00	0.00	(345,259.00)
75-7080 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
75-7088 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
75-7099 UNRESERVED FUND BALANCE	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL TRANSFERS IN	0.00	0.00	878,521.00	0.00	(878,521.00)
*** TOTAL REVENUES ***	0.00	0.00	878,521.00	0.00	(878,521.00)

75 -EIC PROJECTS FUND
 00-NON DEPARTMENT
 DEPARTMENT EXPENSES

	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACT & EN C	% OF BUDGET	BUDGET BALANCE
<u>PERSONNEL</u>					
75-800-010	PROFESSIONAL DEVELOPMENT	0.00	0.00	0.00	0.00
	TOTAL PERSONNEL	0.00	0.00	0.00	0.00
<u>SUPPLIES</u>					
75-800-102	SMALL TOOLS AND EQUIPMENT	0.00	0.00	0.00	0.00
75-800-103	MEDICAL SUPPLIES	0.00	0.00	0.00	0.00
75-800-108	OTHER SUPPLIES	0.00	0.00	0.00	0.00
75-800-111	COMPUTER UPGRADES	0.00	0.00	0.00	0.00
75-800-112	SOFTWARE	0.00	0.00	0.00	0.00
75-800-118	SIGN MATERIALS	0.00	0.00	0.00	0.00
	TOTAL SUPPLIES	0.00	0.00	0.00	0.00
<u>MAINTENANCE</u>					
75-800-202	BUILDING AND STRUCTURES	0.00	0.00	0.00	0.00
75-800-206	INSTRUMENTS & APPARATUS	0.00	0.00	5,512.99	(5,512.99)
75-800-210	REPAIR/MAINTENANCE	0.00	0.00	0.00	0.00
	TOTAL MAINTENANCE	0.00	0.00	5,512.99	(5,512.99)
<u>SERVICES</u>					
75-800-306	SPECIAL SERVICES	0.00	239,876.80	1,035,387.37	(1,035,387.37)
75-800-307	INSURANCE	0.00	0.00	0.00	0.00
75-800-316	ADVERTISING-MAIN ST. PROJ	0.00	0.00	0.00	0.00
	TOTAL SERVICES	0.00	239,876.80	1,035,387.37	(1,035,387.37)
<u>OTHER EXPENSES</u>					
75-800-405	OTHER CHARGES	0.00	0.00	33,261.94	(33,261.94)
	TOTAL OTHER EXPENSES	0.00	0.00	33,261.94	(33,261.94)
<u>CAPITAL OUTLAY</u>					
75-800-500	ASSET CONTRA ACCOUNT	0.00	0.00	0.00	0.00
75-800-501	LAND	0.00	0.00	181,853.24	(181,853.24)
75-800-502	BUILDINGS AND STRUCTURES	0.00	0.00	56,006.71	(56,006.71)
75-800-503	VEHICLES	0.00	0.00	0.00	0.00
75-800-504	MACHINERY-TOOLS-EQUIPMENT	0.00	0.00	0.00	0.00
75-800-505	OFFICE EQUIPMENT	0.00	0.00	0.00	0.00
75-800-506	INSTRUMENTS AND APPARATUS	0.00	0.00	0.00	0.00
75-800-507	STREET IMPROVEMENTS	0.00	0.00	0.00	0.00
75-800-509	IRRIGATIONS SYSTEM	0.00	0.00	0.00	0.00
75-800-510	WATER SYSTEM	0.00	0.00	265,743.98	(265,743.98)
75-800-511	WASTEWATER SYSTEMS	0.00	0.00	603,406.54	(603,406.54)
	TOTAL CAPITAL OUTLAY	0.00	0.00	1,107,010.47	(1,107,010.47)

CITY OF KERRVILLE
 FINANCIAL STATEMENT
 AS OF: AUGUST 31ST, 2010

75 -EIC PROJECTS FUND
 00-NON DEPARTMENT
 DEPARTMENT EXPENSES

	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACT & EN C	% OF BUDGET	BUDGET BALANCE
<u>TRANSFERS OUT</u>					
75-800-901 TRANSFER TO GENERAL FUND	0.00	0.00	0.00	0.00	0.00
75-800-902 TRANSFER OUT	0.00	0.00	0.00	0.00	0.00
75-800-914 TRANSFER OUT	0.00	0.00	0.00	0.00	0.00
75-800-940 TRANSFER OUT	0.00	0.00	0.00	0.00	0.00
75-800-942 TRANSFER OUT	0.00	0.00	0.00	0.00	0.00
75-800-943 TRANSFER OUT	0.00	0.00	91,015.55	0.00	(91,015.55)
75-800-947 TRANSFER OUT	0.00	0.00	0.00	0.00	0.00
75-800-970 TRANSFER OUT	0.00	0.00	(751,762.00)	0.00	751,762.00
75-800-971 TRANSFER OUT	0.00	0.00	969,403.18	0.00	(969,403.18)
TOTAL TRANSFERS OUT	0.00	0.00	308,656.73	0.00	(308,656.73)
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TOTAL 00-NON DEPARTMENT	0.00	239,876.80	2,489,829.50	0.00	(2,489,829.50)
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*** TOTAL EXPENSES ***	0.00	239,876.80	2,489,829.50	0.00	(2,489,829.50)

CITY OF KERRVILLE
Economic Improvement Corporation
Sales Tax Improvement Capital Projects Fund

Project Status Summary
For the month ending July 31, 2010

YEAR(S) FUNDED	PROJECTS	Funding Agreement	EIC Funding Agreement Commitment	EIC Funded To Date	Non-EIC Funding	Total Funded	Project Expenses to Date	Project Balance	EIC Future Allocation Balance	% Complete Close June '10
2004/05	Town Creek Sewer	FA 2004-06	\$ 492,657	\$ 492,657	\$ 684,630	\$ 1,177,287	\$ 1,125,827	\$ 51,460	-	-
2004/05	Holdsworth Drive	FA 2004-07	\$ 1,000,000	\$ 1,000,000	\$ 3,500,396	\$ 4,500,396	\$ 4,491,208	\$ 9,188	-	-
2006/07	Harper Highway Utility Extension	FA 2008-013	\$ 2,850,000	\$ 2,850,000	\$ 100,000	\$ 2,950,000	\$ 463,302	\$ 2,486,698	-	Bidding
2007/08	Salvation Army Kroc Center	FA 2008-011	\$ 500,000	\$ 500,000		\$ 500,000	\$ 417,931	\$ 82,069	-	Final Checklist
2008/09	Hill Country Shooting Sports Center		\$ 300,000	\$ 300,000		\$ 300,000	\$ 300,005	\$ (5)	-	N/A
2008/09	Alamo Workforce		\$ 109,887	\$ 109,887		\$ 109,887	\$ 108,394	\$ 1,493	0	N/A
2008/09	KEDF USDA Payment*	FA 2008-08	\$ 525,000	\$ 99,968		\$ 99,968	\$ 99,968	\$ (0)	425,032	N/A
2009/10	Hill Country Home Opportunity		\$ 150,000	\$ 150,000		\$ 150,000	\$ 11,716	\$ 138,284	-	-
2009/10	Commercial Improvement Program		\$ 100,000	\$ 100,000		\$ 100,000	\$ -	\$ 100,000	-	-
TOTALS			\$ 6,027,544	\$ 5,602,512	\$ 4,285,026	\$ 9,887,538	\$ 7,018,351	\$ 2,869,187	425,032	

Cash Balance on 8/31/2010: \$ 2,877,926

* Funding moved as payment becomes due

Unallocated cash available: \$ 8,738



City of Kerrville
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MEMORANDUM

TO: EIC Board

FROM: Michael Wellborn, P.E., Director of Engineering

DATE: September 14, 2010

SUBJECT: End of August CIP Update for EIC Funded Projects

Town Creek Sanitary Sewer Extension (\$592,657.00) – Project has been completed and accepted by the City of Kerrville. Expenses for this project totaled \$1,125,826.54. The project closure process has been initiated and was placed on the September 14th, City Council Agenda. The closure is scheduled for a final reading during the September 28 Council Meeting.

Harper Road Utility Extension (\$2,850,000.00) – The project construction contract was awarded to Nelson Lewis, Inc. in an amount not to exceed \$2,520,564.00 on June 22, 2010. Notice to precede letter issued on August 2, 2010. In addition to the construction contract, City Council awarded a separate contract to Raba Kistner Consultants, Inc to perform the required material testing for the project. The contract with the consultant is a not to exceed contract in an amount of \$67,840.00. Construction has commenced and is slated for completion in February 2011.

Salvation Army Kroc Center Site Work & Drainage Improvements (\$570,000.00) – This project consists of constructing retaining walls, side walks, walking trails, fencing, replacement of sanitary sewer and other associated improvements related to the Salvation Army Kroc Center including site preparation, grading and drainage. The construction contract was awarded to Yantis Company (Contractor) during the May 12, 2009 City Council meeting in the amount of \$1,119,735.75. On June 8, 2010, Council authorized the increase of the Yantis Contract to the amount of \$1,173,959.55 and authorized the release of the remainder funds in the amount of \$44,317.46 to cover change orders. A final walk-thru has been performed for this project and the Contractor is completing required final stabilization.