

**AGENDA FOR MEETING OF  
THE CITY OF KERRVILLE, TEXAS  
ECONOMIC IMPROVEMENT CORPORATION  
Monday, January 18, 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. APPROVE MINUTES**

4A. December 21, 2009

**5. MONTHLY REPORTS**

5A. Monthly financials for December 2009

5B. EIC construction project status

**6. DISCUSSION AND POSSIBLE ACTION**

6A. Consider and possibly update the application for EIC funding.

**7. 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.

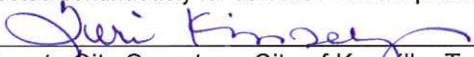
**8. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION**

**9. ADJOURNMENTS**

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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: January 14, 2010 at 9:15 a.m. and remained posted continuously for at least 72 hours preceding the scheduled time of the meeting.

  
Deputy City Secretary, City of Kerrville, Texas

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

**Regular Meeting  
December 21, 2009**

On Monday, December 21, 2009, 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  
Lindsay Duff  
Warren Ferguson

**Members Absent:**

Ben Modisett  
Ed Hamilton

**Staff Present**

Todd Parton, City Manager  
Mindy Wendele, Director of Business Programs  
Teri Kinsey, Administrative Assistant to City Secretary  
Jennifer Yarbrough, Budget Analyst  
Sandra Yarbrough, Interim Finance Director

**2. INVOCATION:**

Given by President Bill Crumrine.

**3. VISITORS FORUM:**

No one spoke

**4. APPROVE THE MINUTES OF THE NOVEMBER 16, 2009, MEETING:**

Mr. Duff moved to approve the minutes of the November 16, 2009 meeting on the stipulation that Ben Modisett be removed from being present; Mr. Pratt seconded; motion passed 5-0.

**5. MONTHLY REPORTS**

**5A. Monthly financials November 2009**

Jennifer Yarbrough presented the November 2009 financials. Mr. Pratt moved to accept the financials as presented but the Board requested the finance department verify the percentage on the sales tax revenue report and add an additional column on the project status summary indicating the completion percentage of the actual project as well; Mr. Duff seconded; motion passed 5-0.

**5B. EIC Construction project status**

Cheri Halford was unavailable to present the November 2009 construction project status report. Mindy Wendele advised the Board that if they had any questions regarding the report they could ask either herself or Jennifer Yarbrough and they would research the answer and get the information to them in a timely manner. Mr. Pratt moved to accept the report as shown; Mr. Duff seconded; motion passed 5-0.

**6. DISCUSSION AND POSSIBLE ACTION:**

**6A. Appoint a member to the new Economic Development Task Force**

Mindy Wendele advised the Board that an EIC member needed to be appointed to the Economic Development Task Force; she stated what individuals have been appointed and to which entities they belong; they are as followed: Dan Troxell, KISD; Stephen Fine, KPUB; Trevor Hyde, Chamber of Commerce; Steve Huser, KEDF; Bob Miller, KCVB; Judge Pat Tinley, Kerr County and Mayor Todd Bock, City of Kerrville.

Mr. Crumrine asked the Board that he not nominated for the Economic Development Task Force. Mr. Duff pointed out that it would only seem appropriate that the President be the one to serve. Mr. Ferguson understood Mr. Crumrine's desire not to serve but also agreed with Mr. Duff. Mr. Crumrine conceded that if the Board wanted him to serve that he would do so. Mr. Duff made a motion to appoint Mr. Crumrine to the Economic Development Task Force; Mr. Ferguson seconded the motion; motion passed 4-1.

**6B. Funding Agreement amendment request from Habitat for Humanity for the Maude Jennings Subdivision**

Steve Hamilton appeared before the Board requesting an extension due to past weather conditions that have made this project fall behind schedule. Mr. Hamilton reminded the Board that at the October 19, 2009 EIC meeting Habitat for Humanity had completed 50% of this project but *may* request an extension of 30-60 days due to possible bad weather. Mr. Hamilton informed the Board that the project's contractor foresees this project being completed by early March, 2010 and asks for an extension of 120 days. Mr. Ferguson moved to grant Habitat for Humanity a 120 day extension for completion of said project; Mr. Pratt seconded; motion passed 5-0.

**6C. Discussion pertaining to the EIC application process**

Mr. Crumrine provided a list of additional information he would like to see be added to the application for applicants requesting EIC funding. These items are as followed; for corporations: copies of the Certificate of Incorporation and Articles of Incorporation; three years financial statements with P & L and Federal Tax Returns; current financial statements and returns for primary owners or shareholders; pro forma-two years financial statements with P & L and cash flow to include all debt service requirements; when capital improvements are involved (R/E, equipment, etc..) contracts, written estimates or invoices should be provided; reference letters from current financial institutions to include contact person within the institution and finally city staff should obtain credit reports. Mr. Duff agrees with the need for more information but would like it presented to Mindy Wendele and have that information available to board members. Mr. Pratt also suggested that these items could be discussed in executive session as well. Mr. Ferguson questioned the Public Information aspect of all this, it was noted that the information turned over could fall under Chapter 552, Public Information Act, which means private information of the applicants could be viewed and copied by the public. Mindy Wendele offered an option as how to handle this situation; she advised that after the application has been approved copies of the packet could be sent to each Board member to review. City staff would complete the background

research and if the applicant has satisfied all criteria it would be passed on to the Board, if not, the applicant would be notified by staff and given the reasons why their application was denied. Mindy Wendele agreed to revise the application using the suggestions offered by Mr. Crumrine and the other Board members and present the revised version at the January 18, 2010 board meeting.

**7. INFORMATION AND DISCUSSION:**

- 7A. Mindy Wendele addressed the Board, updating them on the Special City Council Meeting held December 17, 2009 concerning the TXP, Inc. feasibility study on the proposed Convention Center. At the December 17, 2009 meeting it was decided that the City of Kerrville would do a request for proposals (RFP) seeking partnership in the proposed Convention Center project. A draft RFP will be presented to the council on the January 12, 2010 agenda. Todd Parton answered the Board question as to how TXP, Inc. gathered their information and what facts they based their decision on. TXP, Inc. took into consideration the type of core businesses are here already. Mr. Parton stated that Kerrville is tourism based industry and believes that a convention center would serve as a catalyst to increase tourism in our area. Mr. Pratt noted surrounding areas such as Fredericksburg and New Braunfels and how they were able to grow by focusing on their strengths, and if the City of Kerrville's Master Plan should consider doing the same. In conclusion, Mr. Parton stated that the City of Kerrville needs to balance what it needs, what it has and where it wants to go.

**8. EXECUTIVE SESSION:**

The Board did not meet in Executive Session.

**9. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION:**

No action was taken.

**10. ADJOURNMENT:**

Mr. Pratt moved to adjourn the meeting; Mr. Massey seconded; motion passed 5-0. The meeting adjourned at 5:20 PM.

**APPROVED:** \_\_\_\_\_

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Bill Crumrine  
President

\_\_\_\_\_  
Teri Kinsey  
Admin. Assist. to the City Secretary

CITY OF KERRVILLE  
 ECONOMIC IMPROVEMENT CORPORATION  
 SALES TAX IMPROVEMENTS FUND

Cash Balance as of December 1, 2009		\$	1,375,605
Deposits:			
Sales Tax			170,981
Interest Revenue			2,600
			173,581
			173,581
Expenses:			
Administrative Service Fee			6,250
Schreiner University - Final Payment			250,000
Transfer for Debt Service			40,083
			296,333
			(296,333)
Ending Cash Balance as of December 31, 2009			1,252,854

INVESTMENTS:

Investment Item	Amount	Estimated Rate
Cash and Investments	1,252,854	0.21%

CITY OF KERRVILLE  
 ECONOMIC IMPROVEMENT CORPORATION  
 SALES TAX IMPROVEMENTS FUND  
 REVENUE AND EXPENSE STATEMENT  
 AS OF: December 31, 2009

	Annual Budget	Current Period	Y-T-D Actual	% of Budget	Budget Balance
<b>BEGINNING CASH BALANCE</b>	1,098,201		1,098,201		
<b>REVENUE:</b>					
Sales and Use Tax	2,562,000	170,981	539,595	21.06%	2,022,405
Interest	45,000	2,600	8,058	17.91%	36,942
<b>TOTAL REVENUE</b>	<b>2,607,000</b>	<b>173,581</b>	<b>547,653</b>	<b>21.01%</b>	<b>2,059,347</b>
	Annual Budget	Current Period	Y-T-D Actual & Encumbrances	% of Budget	Budget Balance
<b>EXPENDITURES:</b>					
Administrative					
Supplies	-			-	-
Transfer to Debt Service Fund	505,000	40,083	124,250	24.60%	380,750
Kerrville Economic Development Foundation	25,000			100.00%	25,000.00
Administrative Services Fee	75,000	6,250	18,750	25.00%	56,250
<b>Total Administrative</b>	<b>605,000</b>	<b>46,333</b>	<b>143,000</b>	<b>23.64%</b>	<b>462,000</b>
Category I - Business Development					
Unspecified	1,067,000			0.00%	1,067,000
<b>Total Category I</b>	<b>1,067,000</b>	<b>-</b>	<b>-</b>	<b>100.00%</b>	<b>1,067,000</b>
Category II - Quality of Life					
Schreiner University Project	250,000	250,000	250,000	100.00%	-
Category II Unspecified	50,000			0.00%	50,000.00
<b>Total Category II</b>	<b>300,000</b>	<b>250,000</b>	<b>250,000</b>	<b>83.33%</b>	<b>50,000.00</b>
Category III - Public Infrastructure					
Unspecified Projects	1,471,038			0.00%	1,471,038
<b>Total Category III</b>	<b>1,471,038</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>1,471,038</b>
<b>Contingency</b>	<b>500,000</b>			<b>0.00%</b>	<b>500,000</b>
<b>TOTAL EXPENDITURES</b>	<b>3,943,038</b>	<b>296,333</b>	<b>392,999.99</b>	<b>9.97%</b>	<b>3,550,038</b>
<b>NET REVENUES TO EXPENDITURES</b>	<b>(1,336,038)</b>	<b>(122,752)</b>	<b>154,653</b>		
<b>ENDING CASH BALANCE: DECEMBER 31, 2009</b>	<b>(237,837)</b>		<b>1,252,854</b>		

CITY OF KERRVILLE  
 ECONOMIC IMPROVEMENT CORPORATION  
 SALES TAX DEBT SERVICE FUND

Cash Balance as of December 1, 2009		\$	484,037
Deposits:			
Transfer from Sales Tax Improvements Fund	40,083		
Total Deposits			40,083
Expenses:			
None	-		
Total Expenses			0
Ending Cash Balance as of December 31, 2009		\$	524,120

INVESTMENTS:

Investment Item	Amount	Estimated Rate
TexPool	524,120	0.21%

CITY OF KERRVILLE  
 ECONOMIC IMPROVEMENT CORPORATION  
 SALES TAX DEBT SERVICE FUND  
 REVENUE AND EXPENSE STATEMENT  
 AS OF: December 31, 2009

	Annual Budget	Current Period	Y-T-D Actual	% of Budget	Budget Balance
<b>BEGINNING CASH BALANCE</b>	314,120		314,120		
<b>REVENUE:</b>					
Transfer from Sales Tax Improvement Fund	\$ 505,000	\$ 40,083	\$ 124,250	24.60%	\$ 380,750
Return of Equity - Park Lane Extension	\$ -	\$ -	\$ 85,751	100.00%	\$ (85,751)
<b>TOTAL REVENUE</b>	<b>505,000</b>	<b>40,083</b>	<b>210,001</b>	<b>41.58%</b>	<b>294,999</b>
<b>EXPENDITURES:</b>					
Series 1999 Sales Tax Bond Debt Service	405,000			0%	405,000
Series 1999 Sales Tax Bond Interest Expense	92,539	-		0%	92,539
Paying Agent Fees	1,000			0%	1,000
First Southwest Continuing Disclosure Fee	-	-		-	-
<b>TOTAL EXPENDITURES</b>	<b>498,539</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>498,539</b>
<b>ENDING CASH BALANCE: DECEMBER 31, 2009</b>	<b>320,581</b>		<b>524,121</b>		

CITY OF KERRVILLE  
 ECONOMIC IMPROVEMENT CORPORATION  
 SALES TAX REVENUE ANALYSIS

Month	Actual FY 06	Actual FY 07	Actual FY 08	Actual FY 09	Approved FY 10	Actual FY 10	FY 10 Proj v. FY 10 Actual	% of Budget Variance
October	168,644	184,785	194,330	195,050	195,831	179,735	(16,096)	-8.22%
November	188,549	204,940	219,398	218,565	219,201	188,879	(30,322)	-13.83%
December	172,672	189,001	195,398	202,043	200,130	170,981	(29,149)	-14.56%
January	171,360	184,529	187,236	190,881	193,510			
February	242,073	246,363	251,426	239,208	258,118			
March	175,151	165,161	194,946	200,569	193,990			
April	169,994	166,504	168,423	259,861	201,624			
May	225,360	233,625	234,014	228,262	242,877			
June	179,980	182,280	193,637	181,835	194,493			
July	185,406	196,384	200,625	183,253	201,857			
August	222,357	221,781	230,443	219,318	235,664			
September	220,762	228,600	213,253	189,718	224,705			
<b>Total</b>	<b>2,322,308</b>	<b>2,403,953</b>	<b>2,483,129</b>	<b>2,508,562</b>	<b>2,562,000</b>	<b>539,595</b>	<b>(75,566)</b>	<b>-12.28%</b>

CITY OF KERRVILLE  
 ECONOMIC IMPROVEMENT CORPORATION  
 EIC PROJECTS FUND

Cash Balance as of December 1, 2009		\$ 4,515,888
Revenues:		
Reallocation of funds to Town Creek Sanitary Sewer Project	245,259	
Transfer From EIC Operating for Schreiner University Project	250,000	
		495,259
Expenses:		
Special Services		
Alamo Worksource	33,831	
Hill Country Shooting Sports Center	8,570	
Habitat For Humanity	50,744	
Schreiner University	250,000	
Special Services Total	343,145	
Land		
Salvation Army Kroc Center	15,108	
Buildings and Structures		
ASR Well #3	3,908	
Total Expenses	362,161	(362,161)
Ending Cash Balance as of December 31, 2009		4,648,986

**CITY OF KERRVILLE  
ECONOMIC IMPROVEMENT CORPORATION  
SALES TAX IMPROVEMENTS CAPITAL PROJECTS**

**PROJECT STATUS SUMMARY**

As of December 31, 2009

**PAY AS YOU GO PROJECTS**

YEAR(S) FUNDED	PROJECTS	FUNDING AGREEMENT STATUS	APPROVED EIC FUNDING	PROJECT TO DATE EXPENSES	BALANCE TO EIC ALLOCATION	% EXPENSED
A 2006/07	Harper Highway Utility Extension	FA 2008-013	2,850,000.00	221,646.53	2,628,353.47	8%
A 2007/08	Salvation Army Center Kroc Center	FA 2008-011	500,000.00	326,660.05	173,339.95	65%
A 2007/08	Main Street Marketing Program	FA 2008-015	20,000.00	7,821.54	12,178.46	39%
A 2008/09	Hill Country Shooting Sports Center		300,000.00	292,818.88	7,181.12	98%
A 2008/09	Alamo Workforce		109,887.24	106,367.42	3,519.82	97%
A 2008/09	Habitat For Humanity - Maude Jennings	FA 2009-01	418,000.00	206,093.92	211,906.08	49%
A 2008/09	KEDF USDA Payment	FA 2008-08	65,000.00	66,706.00	0.00	100%
<b>TOTALS</b>			4,262,887.24	1,228,114.34	3,036,478.90	

Total Balance to EIC Allocation  
Unallocated Funds  
Total Cash Balance

3,036,478.90  
1,612,506.61  

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4,648,985.51

**BOND FUNDED PROJECTS**

YEAR(S) FUNDED	PROJECTS	FUNDING AGREEMENT STATUS	APPROVED EIC FUNDING	PROJECT TO DATE EXPENSES	BALANCE TO EIC ALLOCATION	% COMPLETE/PHASE
A 2000/01	Park Lane Extension ROW	FA00-02	343,246.34	252,230.79	91,015.55	75%
<b>TOTALS</b>			343,246.34	252,230.79	91,015.55	

**CITY OF KERRVILLE  
ECONOMIC IMPROVEMENT CORPORATION  
COMPLETED PROJECTS SUMMARY**

<b>Pay As You Go Projects:</b>	<b>BUDGET YEAR</b>	<b>ALLOCATION</b>	<b>ACTUAL EXPENSES</b>	<b>BALANCE OF ALLOCATION</b>
Methodist Encampment Area Sewer		293,000.00	294,657.72	(1,657.72)
Jefferson Street Sewer Lift Station		94,339.00	87,008.93	7,330.07
Low Water Crossing Study		60,000.00	26,589.10	33,410.90
Fire Truck Purchase		260,000.00	269,481.00	(9,481.00)
Legion Lift Station Improvements	2005-2006	118,300.00	112,385.00	5,915.00
Thompson Drive Sidewalks		5,940.00	6,738.75	(798.75)
Memorial Drive Lift Station		160,000.00	154,276.26	5,723.74
Park Lane Extension Engineering Services	2000-2001	31,000.00	31,000.00	0.00
Library Architectural Services	2000-2001	14,000.00	14,194.98	(194.98)
<b>North Street Improvements:</b>				
Preliminary Engineering Report		64,750.00	105,429.34	(40,679.34)
North Street Project (+ C.O. #1 & #2)		2,306,123.70	2,230,175.95	75,947.75
Land Purchase - Fire Station #4	2001-2002	215,000.00	211,949.98	3,050.02
ASR Well #2 and Transmission Infrastructure	2000-2001	329,685.81	333,226.84	(3,541.03)
Fire Station #2 (50% in Bond Projects)	2005-2006	400,000.00	400,000.00	0.00
Ambulance and Equipment Purchase	2003-2004	143,150.12	143,150.12	0.00
Library Improvements	2005-2006	228,650.00	228,650.00	0.00
Loop 534 Water and Sewer	2002-2003	188,837.61	188,837.61	0.00
G Street Bridge Match and ROW	2000-2001	300,000.00	300,000.00	0.00
Pumper Apparatus	2003-2004	350,000.00	350,000.00	0.00
Expansion of Airport Lease Space (BA Products)		24,600.00	24,600.00	0.00
Broadway Utility Relocation (TxDOT)	2005-2006	130,000.00	130,000.00	0.00
Geographic Information System	2002-2003	153,812.00	153,812.00	0.00
Airport Commerce Park Infrastructure	2005-2006	630,000.00	596,182.19	33,817.81
Quinlan/Town Creek Drainage Easements Acquisition	2004-2005	40,000.00	20,418.74	19,581.26
2004 Golf Course Irrigation Expansion Project	2004-2005	40,000.00	37,559.00	2,441.00
FY04 Kerr Economic Development Foundation	2003-2004	10,800.00	10,800.00	0.00
Emergency Services Communication	2002-2003	109,000.00	109,000.00	0.00
Legion Hills Infrastructure	2003-2004	352,000.00	352,000.00	0.00
Hill Country Shooting Sports Center	2004-2005	200,000.00	200,000.00	0.00
Airport Water Tower Demolition	2004-2005	95,000.00	19,796.90	75,203.10
Riverstar Park Pavilion	2004-2005	127,000.00	127,000.00	0.00
Dietert Senior Center	2004-2005	500,000.00	500,000.00	0.00
FY06 Kerr Economic Development Foundation	2005-2006	8,000.00	8,000.00	0.00
Sid Peterson Hospital	2005-2006	500,000.00	500,000.00	0.00
Hill Country Shooting Sports Center	2004-2005	500,000.00	500,000.00	0.00
General Aviation Terminal	2006-2007	300,000.00	300,000.00	0.00
Kerrville Skate Park	2006-2007	137,038.00	137,038.00	0.00
ASR Well #3	2007-2008	75,000.00	44,908.00	30,092.00 *
Relocate 12/30 Parallel Taxiway	2007-2008	542,540.00	542,540.00	0.00
S. H. 16 Utilities and Drainage Project	2007-2008	981,206.00	981,206.00	0.00
Holdsworth Drive	2007-2008	1,000,000.00	1,000,000.00	0.00
Airport Install 3 Phase Electric	2006-2007	25,000.00	14,770.25	10,229.75 *
Strengthen Runway 12/30	2006-2007	17,000.00	0.00	17,000.00 *
Airport Low Profile Hydrants	2007-2008	39,000.00	32,625.53	6,374.47 *
KEDF Economic Development Strat. Plan	2006-2007	84,750.00	84,750.00	0.00
Salvation Army Detention Center	2007-2008	70,000.00	70,000.00	0.00
KEDF/USDA	2008-2009	65,000.00	66,706.00	(1,706.00)
Towncreek Sewer Project	2004-2005	492,657.00	492,657.00	0.00
Tivy Education Center	2008-2009	300,000.00	300,000.00	0.00
Park Lane Extension	2000-2001	343,246.34	257,495.34	85,751.00 **
Schreiner University	FA 2007-02	750,000.00	750,000.00	0.00
<b>Total Completed Pay As You Go Projects</b>		<b>9,495,026.24</b>	<b>9,076,920.41</b>	<b>206,067.83</b>
<b>Bond Projects:</b>				
		<b>ALLOCATION</b>	<b>ACTUAL EXPENSES</b>	<b>BALANCE TO ALLOCATION</b>
Golf Course Improvements		1,850,000.00	1,850,000.00	0.00
G Street Bridge ROW (TxDOT FA)	2000-2001	102,098.93	102,098.93	0.00
Airport Water/Sewer Mains		732,386.07	731,899.55	486.52
Affordable Housing Infrastructure		175,000.00	174,323.75	676.25
Fire Station #2 (50% in Pay-As-You-Go Projects)	2005-2006	400,000.00	400,000.00	0.00
Loop 534 Water and Sewer	2002-2003	1,649,584.13	1,649,584.13	0.00
Broadway Utility Relocation (TxDOT)		200,000.00	200,000.00	0.00
<b>Total Completed Bond Projects</b>		<b>5,109,069.13</b>	<b>5,107,906.36</b>	<b>1,162.77</b>
<b>TOTAL ALL COMPLETED PROJECTS</b>		<b>14,604,095.37</b>	<b>14,184,826.77</b>	<b>207,230.60</b>

\*Balance Returned to EIC

\*\*Balance Returned to EIC Debt Service

**BOND MATURITY SCHEDULE**  
**EIC - SALES TAX REVENUE BONDS**  
**SERIES 1999**  
**\$5,350,000**

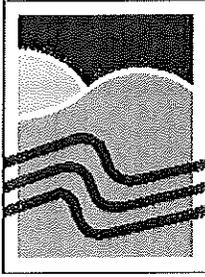
YEAR ENDING SEPTEMBER 30	PRINCIPAL DUE FEBRUARY 15	INTEREST DUE FEBRUARY 15	INTEREST DUE AUGUST 15	TOTAL PRINCIPAL AND INTEREST PAYMENTS	BALANCE OF PRINCIPAL OUTSTANDING
2000	\$160,000	\$222,845	\$113,205	\$496,050	\$5,190,000
2001	275,000	113,205	107,361	495,566	4,915,000
2002	290,000	107,361	101,199	498,560	4,625,000
2003	300,000	101,199	94,824	496,023	4,325,000
2004	315,000	94,824	88,130	497,954	4,010,000
2005	330,000	88,130	81,448	499,578	3,680,000
2006	340,000	81,448	74,478	495,925	3,340,000
2007	355,000	74,478	67,023	496,500	2,985,000
2008	370,000	67,023	59,160	496,183	2,615,000
2009	390,000	59,160	50,775	499,935	2,225,000
2010	405,000	50,775	41,764	497,539	1,820,000
2011	425,000	41,764	32,095	498,859	1,395,000
2012	445,000	32,095	21,971	499,066	950,000
2013	465,000	21,971	11,276	498,248	485,000
2014	485,000	11,276	0	496,276	0
<b>TOTAL</b>	<b>\$5,350,000</b>	<b>\$1,167,553</b>	<b>\$944,707</b>	<b>\$7,462,260</b>	

Investment Activity

Month Ended December 31, 2009

ID Number	Description	Purchase Date	Maturity Date	Yield	Par Value	Cost	Interest Income	Monthly Reconciliation of Book Value			Market Value 12/31/09			
								Book Value 11/30/09	Purchased	Amortization		Matured or Sold	Book Value 12/31/09	
<b>United States Long Term Government Obligations</b>														
3133XUD26	FHLB Discount Note	8/10/2009	8/10/2011	1.000%	2,000,000.00	2,000,000.00	1,722.22	2,000,000.00			2,000,000.00	2,013,120.00		
3133XUD33	FHLB Discount Note	3/12/2009	7/30/2010	1.300%	1,100,000.00	1,100,000.00	1,231.39	1,100,000.00			1,100,000.00	1,105,841.00		
3133XUCN45	FHLB Discount Note	3/13/2009	9/13/2010	1.510%	1,500,000.00	1,499,850.00	1,875.00	1,499,923.36	8.65		1,499,932.04	1,509,340.00		
<i>Subtotal</i>								4,828.61	4,599,823.36	8.68	4,599,932.04	4,628,801.00		
<b>Certificate of Deposits</b>														
7858771946C	Wells Fargo Bank CD	10/14/09	12/14/09	0.1500%	1,529,157.88	1,529,157.88	87.98	1,529,483.24		\$ (1,529,541.21)	0.00	0.00		
062689E6G8	Bank of Houston	01/09/09	01/08/10	1.650%	99,000.00	99,000.00	126.12	99,000.00			99,000.00	99,000.00		
88241LAET7	Texas Enterprise Bank	01/09/09	01/08/10	1.650%	98,000.00	98,000.00	137.33	99,443.28			99,443.28	99,580.60		
700187DE4	Park Cities Bank	01/20/09	01/20/10	1.850%	98,000.00	98,000.00	149.01	98,000.00			98,000.00	98,000.00		
88269AAA6	Texas Security Bank	01/15/09	01/15/10	1.550%	99,000.00	99,000.00	126.12	99,000.00			99,000.00	99,000.00		
737449AB4	Post Oak Bank	02/02/09	02/02/10	1.550%	98,000.00	98,000.00	124.85	98,000.00			98,000.00	98,000.00		
206565556	ViewPoint Bank CD	02/06/09	03/06/10	2.050%	1,014,647.35	1,014,647.35	1,794.09	1,031,689.19			1,033,483.28	1,033,483.28		
200564305	ViewPoint Bank CD	02/28/09	03/28/10	1.590%	1,015,496.50	1,015,496.50	1,387.85	1,027,724.75			1,029,112.60	1,029,112.60		
60460B	Integrity Bank, SSB	10/01/09	04/01/10	1.250%	227,069.12	227,069.12	241.07	227,535.70			227,776.77	227,776.77		
500010059B	Prosperity Bank	10/06/09	04/06/10	1.250%	226,861.34	226,861.34	240.85	227,288.65			227,529.50	227,529.50		
9683897C	Security State Bank	11/13/09	05/13/10	0.650%	229,167.37	229,167.37	126.55	229,236.75			229,363.30	229,363.30		
7859771896C	Wells Fargo Bank CD	11/18/09	05/18/10	1.100%	1,528,911.68	1,528,911.68	1,427.03	1,527,463.88			1,528,890.91	1,528,890.91		
10073C	Quadrangle National	11/20/09	05/20/10	1.090%	230,270.50	230,270.50	213.17	230,339.27			230,552.44	230,552.44		
500045742	HCSB	06/11/09	06/11/10	1.730%	238,404.59	238,404.59	335.60	230,266.62			230,602.22	230,602.22		
4117388C	Bank of the Hills	08/10/09	08/10/10	1.600%	238,764.64	238,764.64	312.40	239,889.83			230,202.23	230,202.23		
20449EXZ7	Compass Bank	08/12/09	08/12/10	0.850%	245,000.00	245,000.00	176.87	245,627.59			245,804.46	245,804.46		
06051VGM2	Bank of America	08/12/09	08/12/10	0.900%	245,000.00	245,000.00	187.27	245,664.51			245,851.78	245,851.78		
39060993	Union State Bank	11/19/09	11/19/10	1.400%	229,215.80	229,215.80	272.66	229,312.21			229,585.17	229,585.17		
<i>Subtotal</i>								\$ 7,142.05	\$ 7,704,935.77	\$ -	\$ (1,529,541.21)	\$ 6,182,335.26	\$ 6,182,335.26	
<b>Commercial Paper</b>														
3024ATC35	FCAR Owner Trust	10/13/2009	3/3/2010	0.50%	245,000.00	244,433.45		\$ 244,626.32	\$	\$ 124.56	\$ 244,750.88	244,844.91		
90262CX33	UBS Finance DE	8/3/2009	12/31/2009	0.70%	2,000,000.00	1,994,263.93		\$ 1,998,814.53	\$	\$ 1,185.47	\$ (2,000,000.00)	-		
<i>Subtotal</i>								\$ -	\$ 2,243,440.85	\$ -	\$ 1,310.03	\$ 244,750.88	\$ 244,844.91	
<b>Investment Pools:</b>														
13302	TextPool	-	-	0.202%	4,018,993.34	4,018,993.34	404.68	1,018,993.34	3,500,000.00	(500,000.00)	4,018,993.34	4,018,993.34		
13302-2	TextPool 2007 Bond	-	-	0.210%	91,634.18	91,634.18	17.77	104,120.81		(12,504.40)	91,634.18	91,634.18		
13302-3	TextPool 2008 Bond	-	-	0.299%	1,589,559.08	1,589,559.08	282.17	1,589,276.91			1,589,559.08	1,589,559.08		
13302-4	TextPool 2009 Bond	-	-	0.209%	2,681,737.12	2,681,737.12	476.05	2,681,261.07			2,681,737.12	2,681,737.12		
1301-000	TextSTAR Inv	-	-	0.189%	2,537,153.93	2,000,000.00	404.31	2,510,749.62	26,000.00		2,537,153.93	2,537,153.93		
9910-105	TextSTAR Bond	-	-	0.189%	1,894,234.91	1,894,234.91	303.64	1,893,931.27			1,894,234.91	1,894,234.91		
2009-000	TextSTAR Bond 2009	-	-	0.189%	2,752,345.52	2,752,345.52	441.20	2,751,904.32		(512,504.40)	2,752,345.52	2,752,345.52		
<i>Subtotal</i>								\$ 2,329.82	\$ 12,550,237.34	\$ 3,526,000.00	\$ (512,504.40)	\$ 15,565,658.08	\$ 15,565,658.08	
<b>Total All Invested Funds</b>														
								\$ 14,300.48	\$ 27,098,537.32	\$ 3,526,000.00	\$ 1,318.71	\$ (4,042,045.61)	\$ 26,592,676.26	\$ 26,621,639.25

- For the current month, the monthly yield on the Citys portfolio was 0.698%.  
 - The weighted average maturity of the Citys portfolio as of December 31, 2009 is 076 days.



**City of Kerrville**  
Accounting Department  
800 Junction Highway  
Kerrville, Texas 78028-5069  
830.792.8333 (O)  
830.792.8309 (F)  
barbaral@kerrvilletx.gov

## MEMORANDUM

TO: Mike Erwin, Director of Finance  
Jennifer Yarbrough, Budget Analyst

FROM: Barbara Lanning, Financial Analyst

DATE: 12 January 2010

SUBJECT: Interest Distribution for EIC Funds

Jennifer stated that the EIC board was concerned about the interest rates they are receiving on their funds. They are under the impression that since we have designated their funds to be in Texpool that the interest rate on their funds is the current Texpool rate of 0.20%.

Since we use the pooled cash method of accounting, the EIC fund shares a portion of the total interest received based on their portion of the average pooled cash for each month. This method means that EIC shares a portion of the interest for pools, certificate of deposits, discount notes, and commercial paper. The December 2009 interest rate for our overall portfolio is 0.70%. EIC receives interest for the fund balances of fund 40, 43, and 75.

Attached are two spreadsheet showing the December distribution of the interest and another spreadsheet showing the December investments for the City of Kerrville. The portion reflecting the market value has not been updated because the report has not arrived yet.

Thank you.

City of Kerrville  
 Accrued Investment Income Distribution  
 12/31/2009

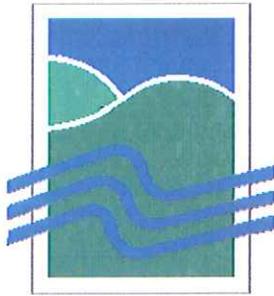
	Total	All Funds	2002 Bond	2007 Bond	2008 Bond	2009 Bond
Accrued Investment Income	1,231.39					
Interest on 3133XJ603/Int only no discount	1,722.22					1,476.80
Fund 71 Long Term Bond Int. Rec.						1,476.81
Fund 70 Long Term Bond Int. Rec.						
Amortization of ST Premium/Discount		3.68				
Interest Receivable	1,866.32	1,866.32				
Amortization of CP Premium/Discount	1,310.03	1,310.03				
Interest Received on Certificate of Deposits	5,615.95	5,615.95				
Interest Received by Cash from Certificate of Deposits	526.10	526.10				
Interest Received on Deposits						
Tempool	404.68	404.68				
Bond Series 2007 in Tempool	17.77			17.77		
Bond Series 2008 in Tempool	282.17				282.17	
Bond Series 2009 in Tempool	476.06					476.05
Bond Series 2002 in Tempool	303.64		303.64			
TexSTAR Investments	404.31	404.31				
Bond Series 2009 in TexStar	441.20					441.20
Interest Received on Depository Balances						
Wells Fargo - Funding Account						
Total Interest Income	15,610.51	11,135.07	303.64	17.77	282.17	3,870.86
	0.00					

Accrued Investment Income Distribution	Total	All Funds	2002 Bond	2007 Bond	2008 Bond	2009 Bond	Earning Balance			Pooled Cash
							Average	Prior	Current	
01 General	641.33	641.33					1,614,689.00	2,545,243.73	659,419,638	684,128.52
02 Water & Sewer	988.15	988.15					2,487,991.00	2,450,866.23	27,595,319,600	2,494,916.40
03 Garage										27,192.81
04 Payroll										
05 Flexfund Insurance	119.27	119.27					300,284.00	307,034.51	230,231.03	293,533.09
07 Police Special Programs	70.43	70.43					177,457.00	179,590.74	175,122.81	175,322.61
08 Parkland Dedication	22.30	22.30					56,147.00	53,649.15	52,845.53	56,845.58
12 Kerrville-Schroiner Park	39.66	39.66					98,947.00	121,801.24	77,912.00	77,992.07
13 Softball/Baseball (Int to Fund 01)										
14 Golf Course Fund										
15 Library Memorial	233.43	233.43					587,712.00	577,955.65	459,851.33	(225,189.40)
16 Arcadia Theater Fund	193.21	193.21					436,460.00	436,363.12	435,955,983	588,067.83
18 General Asset Replacement	22.29	22.29					56,114.00	51,342.31	62,053.33	486,355.43
19 Water/Sewer Asset Replacement	102.27	102.27					257,695.00	252,637.06	267,302.83	60,885.05
20 Hotel/Motel Tax	36.58	36.58					92,099.00	- 66,166.69	113,122.81	262,302.88
25 Landfill Replacement	54.81	54.81					138,007.00	156,535.52	119,477.94	118,029.18
26 Landfill Replacement	391.97	391.97					996,073.00	983,336.16	935,405.91	119,477.94
27 Real Property	3.05	3.05					7,677.00	6.07	15,347.79	935,405.91
23 Landfill Post Closure	429.35	429.35					1,090,933.00	1,477,203.44	659,763.65	15,347.79
40 Sales Tax Improvement	536.73	536.73					1,351,457.00	1,373,113.53	1,332,619.95	684,761.65
43 EIC Debt Service Fund (Int to Fund 40)	2,524.44	2,524.44					504,075.00	484,038.82	571,023.95	1,269,800.96
47 Airport	119.77	119.77					307,545.00	274,903.09	323,789,512	324,120.15
50 General Debt Service	489.73	489.73	136.64				913,562.00	970,362.33	756,303,327	322,191.94
53 Water/Sewer Debt Service	497.23	497.23	167.00				831,435.00	906,565.04	936,315,176	756,301.27
57 433 Water Street	22.66	22.66					57,064.00	56,840.43	57,293.66	856,305.16
68 Remscheid-Opening Fund	43.61	43.61					109,759.00	109,990.35	109,665.33	57,293.66
70 General Improvement Project	4,015.30	4,015.30					5,147,935.00	5,443,853.72	4,847,211.30	109,605.23
71 Water/Sewer Improvement Projects	2,361.77	2,361.77		17.77			5,946,296.00	5,965,726.41	5,106,915.00	4,847,211.30
74 Airport Construction Fund	4,561.94	4,561.94			282.17					6,026,855.39
75 EIC Bond Construction Fund (Int to Fund 40)							4,500,312.00	4,601,533.23	1,103,946.51	479,727.81
90 Insurance Reserve (No Interest for this account)										4,398,985.51
94 Main Street	17.63	17.63					44,381.00	44,245.15	44,245.15	108,281.96
Total	15,610.51	11,135.07	303.64	17.77	282.17	3,870.86	23,037,625.00	23,690,790.17	26,354,457.37	44,516.67
										26,784,427.75

City of Kerrville  
Accrued Investment Income Distribution  
12/31/2009

Accrued Investment Income	Total	All Funds	2002 Bond	2007 Bond	2008 Bond	2009 Bond
Interest on 3133X16D3(int only no discount)						
Interest on 3133XUD26(int only no discount)						
Fund 71 Long Term Bond Int. Rec.	1.42	1.42				
Fund 78 Long Term Bond Int. Rec.						
Amortization of ST Premium/Discount	3.66					
Interest Receivable						
Amortization of Long Term Premium/Discount	324.77					
Interest Received on Certificate of Deposits						
Interest Received by Cash from Certificate of Deposits						
Texpool						
Bond Series 2007 in Texpool						
Bond Series 2008 in Texpool						
Bond Series 2009 in Texpool						
TexSTAR Investments						
Bond Series 2009 in TexStar						
Interest Received on Depository Balances						
Wells Fargo - Funding Account						
<b>Total Interest Income</b>	<b>334.87</b>	<b>334.87</b>				
	0.00					

Accrued Investment Income Distribution	Total	All Funds	2002 Bond	2007 Bond	2008 Bond	2009 Bond	Earning Balance			Pooled Cash
							Average	Prior	Current	
01 General	19.29	19.29					1,614,689.00	2,545,249.73	634,123.52	634,123.52
02 Water & Sewer	28.71	28.71					2,457,901.00	2,450,886.23	2,494,916.40	2,494,916.40
03 Garage									27,192.81	27,192.81
04 Payroll										
05 Flexfund Insurance	3.59						300,284.00	307,034.51	289,593.09	289,593.09
07 Police Special Programs	2.12						177,467.00	179,890.74	175,922.61	175,922.61
08 Parkland Dedication	0.67						56,147.00	53,649.15	53,649.15	53,649.15
12 Kerrville-Schroeder Park	1.19						99,347.00	121,801.24	77,352.07	77,352.07
13 Softball/Basball (int to Fund 01)										
14 Golf Course Fund										
15 Library Memorial	7.02						587,712.00	577,355.65	576,057.93	(225,189.40)
16 Arcadia Theater Fund	5.81						486,460.00	486,365.12	486,555.43	486,555.43
18 General Asset Replacement	0.67						56,114.00	51,342.31	60,895.05	60,895.05
19 Water/Sewer Asset Replacement	3.08						252,495.00	252,687.06	262,302.88	262,302.88
20 Hotel/Motel Tax	1.10						92,088.00	66,166.69	116,028.16	116,028.16
25 Landfill Operations	1.65						138,007.00	156,535.62	159,477.94	159,477.94
26 Landfill Replacement	11.79						966,873.00	969,336.16	965,406.91	965,406.91
27 Real Property	0.09						7,677.00	6.07	15,347.79	15,347.79
28 Landfill Prec Closure	12.91						1,090,993.00	1,477,203.44	1,329,800.96	1,329,800.96
40 Sales Tax Improvement	16.14						1,351,457.00	1,373,113.83	1,359,761.65	1,359,761.65
43 EIC Debt Service Fund (int to Fund 40)	75.91						504,076.00	454,036.82	524,120.15	524,120.15
47 Airport							301,545.00	274,903.09	328,191.94	328,191.94
50 General Debt Service	3.60						813,582.00	870,852.38	756,301.27	756,301.27
53 Water/Sewer Debt Service	9.72						831,435.00	806,565.04	856,305.16	856,305.16
67 433 Water Street	9.93						57,064.00	56,640.43	57,288.06	57,288.06
68 Remschel-Doeving Fund	0.68						109,793.00	109,990.35	109,605.23	109,605.23
70 General Improvement Project	1.31						5,147,935.00	5,448,653.72	4,847,211.90	4,847,211.90
71 Water/Sewer Improvement Projects	61.43						5,946,296.00	5,865,726.41	6,026,666.89	6,026,666.89
74 Airport Construction Fund	71.02						4,500,912.00	4,601,638.23	4,797,727.81	4,797,727.81
75 EIC Bond Construction Fund(int to Fund 40)									4,399,985.51	4,399,985.51
80 Insurance Reserve(NC Interest for this account)									108,288.96	108,288.96
84 Math Street	0.53						44,331.00	44,245.15	44,516.67	44,516.67
<b>Total</b>	<b>334.87</b>	<b>334.87</b>					<b>28,037,625.00</b>	<b>29,530,780.17</b>	<b>26,354,467.57</b>	<b>26,354,467.57</b>



**City of Kerrville**  
CIP Manager  
800 Junction Highway  
Kerrville, Texas 78028-5069  
830.792.8314 (O)  
830.792.3850 (F)  
cheri.halford@kerrvilletx.gov

## MEMORANDUM

TO: EIC Board

FROM: Cheri Halford, CIP Manager

DATE: January 12, 2010

SUBJECT: EIC Construction Project Status for end of December 2009

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### Sales Tax Improvement Fund 40:

Town Creek Sewer Extension (\$592,657) – Advertisement for bids ran in the Daily Times on May 8, 2009 and May 15, 2009. The bid opening date was May 27, 2009. Sixteen (16) bids were received and Nelson Lewis Construction, Inc. was the lowest qualified bidder at \$983,682.00. \$155,354.40 of the bid is for oversizing and is the fair share cost for the Harper Highway Utility Extension Project. Construction is 98% complete. Time and charges began on June 27, 2009 and construction is scheduled to be completed no later than January 22, 2010. The contractor is finalizing the punch list. Staff is working with the Riverside Nature Center on re-vegetation efforts along Town Creek.

Harper Highway Utility Extension Engineering (\$350,000) – Easement acquisition and annexation agreements are underway. The project consists of extending water and sewer mains from Morris Road north along Town Creek and Harper Highway to the James Avery Craftsmen Campus. Engineering is finalizing the construction plans. Meetings are being held with property owners to discuss easement and acquisition. Staff is in the process of contacting property owners to obtain utility easements. Engineering is 93% complete. Construction is anticipated to begin in the second quarter of 2010.

Salvation Army KROC Center Infrastructure, Site Preparation, Grading and Drainage Improvements (\$570,000.00) – Project consists of construction of 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 Construction at the May 12, 2009 city council meeting in the amount of \$1,119,735.75.

Construction began May 28, 2009 and is scheduled for 180 working days. There were some changes to the walkways, retaining walls and materials that resulted in project delays. The contractor indicates full completion by mid February .The project is 92% complete.



**City of Kerrville Economic Improvement Corporation  
4B Sales Tax Funding Request  
Guidelines and Procedures**

**Economic Improvement Corporation**

Both the Economic Improvement Corporation Board of Directors (EIC) and the Kerrville City Council must approve expenditures of 4B funding. Before a project may be considered and awarded 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.

**Types of Projects**

The Economic Improvement Corporation will consider applications for:

1. **Direct contributions to business development;** projects should include support of retention, expansion, or recruitment, resulting in public economic benefit, and economic and demographic analyses used for policy development.
2. **Quality of Life** projects; projects which are owned by the City of Kerrville upon completion; or, where funding is requested for the construction of private (which includes non-profit) development projects, but only if the resulting facility is accessible or open to the public; both such Quality of Life projects indirectly result in economic benefits.
3. **Participation in Public Infrastructure;** necessary to facilitate private development, resulting in public economic benefit.

## **Guidelines and Procedures**

### **Business Development and Participation in Public Infrastructure Projects**

#### Application

The City of Kerrville will accept applications for projects at any time. Applications will not be considered until complete. Applicants must be available to present projects at an Economic Improvement Corporation board meeting. City owned improvements will be included in the Capital Improvement Plan. Eligible projects can be projects within the city limits of Kerrville and within Kerr County. All projects outside the Kerrville city limits must have approval of the governing body in which the project is to be located. Applicants may be businesses, individuals, the City of Kerrville, Kerr County, or Kerr Economic Development Foundation.

#### Initial Response Team

An initial response team (IRT) will evaluate and recommend applications based on:

1. Compliance with legal requirements (with necessary assistance from the City Attorney)
2. Funding Availability
3. Consistency with the Comprehensive Plan, Capital Improvement Plan, Airport Master Plan and Parks Master Plan
4. Economic impact analysis results\*, including a return on investment and the break even point (as affected by the extent of developer participation), job creation impact, and impact on the tax base
5. Verification of all documents, reports, statements
6. Project status; for example, projects already under construction

The initial response team will consist of the City Manager, Director of Business Programs, and the President of the Kerr Economic Development Foundation. Additional members of staff may be added to the initial response team where appropriate depending on the nature and location of the project.

Upon review of the application and support documents, the initial response team will make a recommendation to the Economic Improvement Corporation. The initial response team will then notify the applicant of the next available Economic Improvement Corporation board meeting for a project presentation.

The Economic Improvement Corporation may direct a public hearing to be scheduled and a funding agreement to be drafted. The EIC and the Kerrville City Council must both approve the funding agreement. Public infrastructure improvement projects will be placed in the Capital Improvements Plan, and when complete, the project is owned by the City of Kerrville.

## Quality of Life Improvement Projects

Interested businesses, individuals, or non-profit groups are required to complete an application and provide appropriate documentation of the project. The initial response team will evaluate and recommend projects based on the following criteria:

1. Compliance with legal requirements (with necessary assistance from the City Attorney)
2. Funding Availability
3. Consistency with the Comprehensive Plan, Capital Improvement Plan, Airport Master Plan and Parks Master Plan
4. Direct or indirect economic benefit\*
5. Project status; for example, projects already under construction

The Economic Improvement Corporation may direct a public hearing to be scheduled and a funding agreement to be drafted. The EIC and the Kerrville City Council must both approve the funding agreement. Public infrastructure improvement projects will be placed in the Capital Improvements Plan, and when complete, the project is owned by the City of Kerrville unless such Quality of Life project is a publicly available private project, which provides access or services on a non-discriminatory basis.

The Economic Improvement Corporation's annual budget is presented to the EIC members during July each year. Upon review and approval, the EIC recommends the budget to city council for approval in September.

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The City of Kerrville Economic Improvement Corporation meets monthly at the Kerrville City Hall, Council Chambers, 800 Junction Hwy., Kerrville, Texas. For additional information visit the City's website at [www.kerrvilletx.gov](http://www.kerrvilletx.gov) or call 830.792.8343.

\*Specific criteria for the economic impact analysis may be described in a separate economic development incentive policy.



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

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 1 - DEFINITIONS**

**Clawback-** That provision in a Funding Agreement, which states how and to what extent any incentive payments from public funds must be repaid if the stated Performance Standards are not met.

**Current Payroll-** The company's total expenditure for all employees for the month immediately preceding this application multiplied by 12.

**Employee Benefit-** Incentives offered to employees and paid for by the employer such as health care coverage, vacation, etc. If an employee pays 30% of the cost, or more, it should not be considered a "benefit" for purposes of this application.

**Full Time Job-** The employment of a person for a minimum of 35 hours per week and offering that person all those benefits adopted by company policy for Full Time Employees. Major stockholders or immediate family members should not be included in this number when considering "New Full-Time Jobs Created."

**Hourly Wage-** The gross amount paid to the employee for each hour worked not including the Employer's portion of FICA or FWH. Benefits should not be included in this figure, but should be listed separately under the compensation per employee section of the application.

**Part-Time Job-** A person working less than 35 hours per week. Major stockholders or immediate family members should not be included in this category when completing the application under New Part-Time Jobs Created.

**Funding Agreement-** a written document designed to protect the interest of local taxpayers by putting a businesses' job creation or capital investment commitments in writing and by linking the payment of any financial incentive to the business fulfilling its written commitments (i.e. clawbacks).

**Public Capital Project-** Improvements owned and maintained by the City of Kerrville included in the Capital Improvement Plan and funded by the capital budget.

**SECTION II - APPLICANT INFORMATION**

Submittal Date: \_\_\_\_\_

Company Information

Company Name/Organization:

\_\_\_\_\_

Address (City/State): \_\_\_\_\_ Phone \_\_\_\_\_

\_\_\_\_\_ Fax \_\_\_\_\_

\_\_\_\_\_

City

State

Zip Code

Name of Company/Organization Contact on this project:

\_\_\_\_\_

Contact Address (if different from above):

\_\_\_\_\_ Phone \_\_\_\_\_

\_\_\_\_\_ Fax \_\_\_\_\_

\_\_\_\_\_

City

State

Zip Code

Type of Business: Corporation \_\_\_ Partnership \_\_\_ Sole Proprietorship \_\_\_

Year Business Started: Year \_\_\_\_\_ Location \_\_\_\_\_

Current Employment:

Permanent Full-Time \_\_\_\_\_ Permanent Part-Time \_\_\_\_\_

Average Production Wage \_\_\_\_\_

Full-Time Employees receive the following benefits:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Financial Information Required:

- List of all company owners
- Current financial statements and tax returns for primary owners of shareholders
- Three Years Annual Financials with Profit & Loss Statement Federal Tax Returns
- Proforma – two years financial statements with balance sheet and list of assumptions
- Reference letters from current financial institutions to include contact person within the institutions
- For Corporations: Copies of the Certificates of Incorporation and Articles of Incorporation

Annual Sales for Corporation / Company \$ \_\_\_\_\_

This Facility \$ \_\_\_\_\_

Local Sales Tax paid Annually \$ \_\_\_\_\_

Current Payroll \$ \_\_\_\_\_

Has the Company or individual (s) owner of the company ever filed for bankruptcy protection under Chapter 7 or Chapter 11 of the Bankruptcy Statutes?

No ( ) Yes ( ) Details:

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**SECTION III- PROJECT INFORMATION**

Requested amount \_\_\_\_\_

This application is for a:

Business Development ( )

- Expansion of Existing Facility ( ) or
- New Construction ( )
- Other ( )

Quality of Life Improvement ( )

- Parks, Open Space ( )
- Other ( )

Capital Improvements for Public Infrastructure

- Utilities ( )
- Roadways ( )
- Other ( )

The proposed improvements are to be located within the following taxing district (s): City of Kerrville ( ) Kerr County ( ) Kerrville ISD ( )  
 Ingram ISD ( ) Center Point ISD ( )

**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, if any; (3) describing all proposed improvements; and (4) providing a list of eligible improvements; (5) provide a list of major, fixed equipment along with manufacturer specifications and cost quote from the manufacturer.

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.

**SECTION V – ECONOMIC IMPACT INFORMATION**

**Part A- Project Investment in Improvements**

Total	\$ _____
Sq. Footage of New Building (s)	_____
Size of Parking	_____
Other	_____

**Part B- Project Investment in Fixed Equipment**

(New)\$ \_\_\_\_\_  
 Manufacturer of Equipment \_\_\_\_\_  
 Anticipated Useful Life of Equipment \_\_\_\_\_  
 Purchase Price \$ \_\_\_\_\_ Installation Cost \$ \_\_\_\_\_  
 Anticipated Delivery time from Date of Order \_\_\_\_\_

**Part C- Permanent Employment Estimates-** (do not include owners, stockholders or their dependants)

Anticipated Number of New Full-Time Employees as a result of this project \_\_\_\_\_

Anticipated Number within 12 months of Completion of this project \_\_\_\_\_

Anticipated Number within 24 months of Completion of this project \_\_\_\_\_

Typical Job Descriptions or Job Titles

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Anticipated starting salaries of these employees: (avg.) \$ \_\_\_\_\_/hour

**Part D- Permanent Part-Time Employment Estimates-**  
(do not include owners, stockholders or their dependants)

Anticipated Number of New Part-Time Employees as a result of this project \_\_\_\_\_

Anticipated Number within 12 months of Completion of this project \_\_\_\_\_

Anticipated Number within 24 months of Completion of this project \_\_\_\_\_

Typical Job Descriptions or Job Titles of these employees: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Anticipated starting salaries of these employees: (avg.) \$ \_\_\_\_\_ / hour

**Part E- Payroll Impact**

Within 12 months of Project Completion \_\_\_\_\_ Within 24 months of Project Completion \_\_\_\_\_

\$ \_\_\_\_\_  
FTE X Avg. Wage X 40 hrs X 52 wks

\$ \_\_\_\_\_  
PTE X Avg. Wage X 20 hrs X 52 wks

**SECTION VI- OTHER ASSISTANCE**

Has the Company applied for any State or Federal assistance on this project? No ( ) Yes ( )

Describe:

\_\_\_\_\_  
\_\_\_\_\_

To the best of my knowledge, the above information is an accurate description of the proposed project details.

\_\_\_\_\_  
Printed name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title

\_\_\_\_\_  
Signature

For additional information visit the City's website at [www.kerrvilletx.gov](http://www.kerrvilletx.gov) or call 830.792.8343.