

NOTICE OF REGULAR MEETING OF BOARD OF DIRECTORS OF BASTROP ECONOMIC DEVELOPMENT CORPORATION (BEDC)

Monday, June 17, 2019 – 5:00 P.M.

Bastrop City Hall, 1311 Chestnut Street, Bastrop, Texas

1. CALL TO ORDER

The Bastrop EDC Board reserves the right to convene into Executive Session at any time during the meeting regarding any agenda item in compliance with the Texas Open Meetings Act, Chapter 551 Government Code.

2. PUBLIC COMMENT(S)

3. REGULAR BUSINESS & PRESENTATIONS

- 3.1. Approval of meeting minutes of the Bastrop EDC Regular Board Meeting of May 20, 2019. **(page 3)**
- 3.2. Acceptance of the Bastrop EDC’s financial summary report for period ending May 31, 2019. **(page 6)**
- 3.3. Consideration, discussion and possible action on Resolution R-2019-0007 of the Bastrop Economic Development Corporation approving and requesting approval of an amendment to the BEDC’s FY 2018/2019 annual budget to allocate THREE HUNDRED SEVENTY-SEVEN THOUSAND SEVENTY-TWO (\$377,072) DOLLARS from reserve funds to be used for the cash down payment on a loan for construction costs for the 921 Main Street Project, to be used first in the construction project. **(page 21)**
- 3.4. Consideration, discussion and possible action on the appointment of an Interim Executive Director for the BEDC. **(page 24)**
- 3.5. Update on EDC staff activities (e.g., marketing, prospects, projects, events, and other updates). **(page 25)**

4. EXECUTIVE SESSION

- 4.1. The Bastrop EDC Board of Directors will meet in a closed/executive session pursuant to the Texas Government Code, Chapter 551, to discuss the following:
 - (1) **Section 551.071** Consultation with Attorney – Project Agnes II, Project Compassionate, Project Green, Project Noah, Project Gnome, Project Technology/MLK, Project Bronze Star, Project Paint by Number, Project Molly, and 921 Main Street
 - (2) **Section 551.072** Deliberation about the purchase, exchange, lease, or value of real property – Project Paint by Number, Project Molly, and 921 Main Street
 - (3) **Section 551.087** Deliberation regarding the commercial or financial information received on potential projects – Project Agnes II, Project Compassionate, Project Green, Project Noah, Project Gnome, Project Technology/MLK, Project Bronze Star, Project Paint by Number, Project Molly

(4) **Section 551.074** Personnel Matters – to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of an employee.

4.2. The Bastrop EDC Board of Directors will reconvene into open session to discuss, consider and/or take any action necessary related to the executive sessions noted herein.

5. ADJOURNMENT

CERTIFICATE

I, Kathy Merrifield, EDC Assistant of the Bastrop Economic Development Corporation (Bastrop EDC), certify that this Notice of Meeting was posted on the front window of the Bastrop EDC offices, 301 Hwy 71 W., Suite 214, at the Bastrop City Hall, 1311 Chestnut Street, and on the Bastrop EDC's website on this the 14th of June 2019 at 5:00 p.m. Copies of this agenda have been provided to those members of the media requesting such information.

Kathy Merrifield

Kathy Merrifield, BEDC Assistant

THE BASTROP ECONOMIC DEVELOPMENT CORPORATION IS COMMITTED TO COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT. REASONABLE MODIFICATIONS AND EQUAL ACCESS WILL BE PROVIDED UPON REQUEST. PLEASE CALL 512-303-9700.



Agenda Item: 3.1

AGENDA MEMORANDUM

Meeting Date: June 17, 2019

Agenda Item: Approval of meeting minutes of the Bastrop EDC Regular Board Meeting of May 20, 2019.

Prepared by: Kathy Merrifield, EDC Assistant

The draft minutes from the Regular Board Meeting of May 20, 2019, are attached for the Board's review.

Attachments:

Draft minutes from the Regular Board Meeting of May 20, 2019

Recommendation – Approve the meeting minutes as submitted.

[RECOMMENDED MOTION] – I move to approve the minutes as submitted.

BASTROP ECONOMIC DEVELOPMENT CORPORATION (BEDC)
BOARD OF DIRECTORS
Minutes of Monthly Meeting, May 20, 2019
Bastrop City Hall, 1311 Chestnut Street, Bastrop, Texas

The Bastrop Economic Development Corporation (BEDC) met on Monday, May 20, 2019, at 5:00 p.m. at Bastrop City Hall, 1311 Chestnut Street, for a Monthly Meeting. Board members present: Kathryn Nash, Kevin Plunkett, Sam Kier, Connie Schroeder and Jeff Haladyna. Board members Ron Spencer and Pat Crawford were not present. Staff members present: Mike Kamerlander, Angela Ryan, Phallan Davis and Kathy Merrifield. Staff member Jean Riemenschneider was not present. BEDC Attorney Cameron Cox was also in attendance.

1. **CALL TO ORDER** – Board Chair Kathryn Nash called the Board Meeting to order at 5:00 p.m. and started with agenda item 3.3.
2. **PUBLIC COMMENT(S)** – Glenn Johnson, Richard Smarzik and Deborah Johnson asked to speak about agenda item 3.5. Ms. Nash acknowledged this and said the Board would hear public comments during item 3.5.
3. **REGULAR BUSINESS & PRESENTATIONS**
 - 3.1. Approval of meeting minutes of the Bastrop EDC Regular Board Meeting of April 15, 2019. Mr. Plunkett made the motion to approve the minutes as submitted, Mr. Kier seconded, and the motion passed.
 - 3.2. Acceptance of the Bastrop EDC's financial summary report for period ending April 30, 2019. Mr. Kier made the motion to accept the financials as submitted, Mr. Plunkett seconded, and the motion passed.
 - 3.3. Presentation from Finance Director Tracy Waldron on the Bastrop EDC's portion of the City of Bastrop's Comprehensive Annual Financial Report for FY2018. Note: This item was moved to immediately after Call to Order. Ms. Waldron presented the EDC portion of the FY18 audit results. She said she had reviewed the list of EDC's capital assets with Board Treasurer Sam Kier and she said there are some assets which seem to belong on the City's books instead; she will be making those changes by the end of the fiscal year. Mr. Kier asked about the EDC performing a separate audit from the City's, and Ms. Waldron said she could get pricing for an independent audit. Ms. Schroeder suggested it be added as an agenda item for the next Board Meeting. No action was required.
 - 3.4. Consideration, discussion and possible action on Resolution R-2019-0005 authorizing the Executive Director to execute a professional services agreement with a digital and branding firm. Mr. Kamerlander presented staff recommendation for Frank & Victor to be contracted as the EDC's digital and branding firm. Mr. Plunkett made the motion to approve Resolution R-2019-0005, Mr. Kier seconded, and the motion passed.
 - 3.5. Consideration, discussion and possible action on Resolution R-2019-0006 approving Mike Kamerlander, BEDC Executive Director, to obtain a loan in the amount of \$1,800,000. Mr. Kamerlander presented regarding the \$1,800,000 to be borrowed for the construction of a building at 921 Main Street. Public comments were heard. Mr. Haladyna made the motion to approve Resolution R-2019-0006, stating that at the direction of the EDC Board, the Executive Director solicited bids for a loan to construct 921 Main Street, and this resolution will allow the Executive Director with the consent of City Council to obtain the loan and begin construction on 921 Main Street, with the Executive Director and Treasurer Sam Kier as signatories on the

loan. He said the decision was made to select Roscoe State Bank as the financial institution. Mr. Kier seconded, and the motion passed.

- 3.6. Update on EDC staff activities (e.g., marketing, prospects, projects, events, and other updates). Mr. Kamerlander presented April staff activities, including metrics for the EDC website, social media and projects.

4. EXECUTIVE SESSION

- 4.1. At 5:05 p.m., the Bastrop EDC Board of Directors moved into closed/executive session; however, Ms. Nash did not read the items for executive session into public record prior to going into closed session, and the Board subsequently returned to the dais at 5:09 p.m. Ms. Nash read the items into public record, and at 5:10 p.m. the EDC Board went into closed/executive session pursuant to the Texas Government Code, Chapter 551, to discuss the following:

- (1) **Section 551.071** Consultation with Attorney – Real Estate, 921 Main Street
- (2) **Section 551.072** Deliberation about the purchase, exchange, lease, or value of real property – Project Bronze Star, Project Paint by Number, 921 Main Street, Project Molly, and Project Kitchen
- (3) **Section 551.087** Deliberation regarding economic development negotiations – Project Bronze Star, Project Paint by Number, 921 Main Street, Project Molly, and Project Kitchen
- (4) **Section 551.074** Personnel Matters

- 4.2. At 6:30 p.m. the Bastrop EDC Board of Directors reconvened into open session to discuss, consider and/or take any action necessary related to the executive sessions noted herein. The only action necessary was taken under agenda item 3.5.

5. **ADJOURNMENT** – Board Chair Kathryn Nash adjourned the meeting at 7:04 p.m.

APPROVED: _____
Kathryn Nash, Board Chair

ATTEST: _____
Kathy Merrifield, EDC Assistant



Agenda Item: 3.2

AGENDA MEMORANDUM

Meeting Date: June 17, 2019

Agenda Item: Acceptance of the Bastrop EDC's financial summary report for period ending May 31, 2019.

Prepared by: BEDC Staff

Attached for the Board's review and consideration is the BEDC financial summary report for the period ending May 31, 2019.

Attachment:
Financial Summary Report for period ending May 31, 2019

Recommendation – Accept the financial summary report as submitted.

[RECOMMENDED MOTION] – I move to accept the May BEDC financial summary report as submitted.

Bastrop Economic Development Corporation

Financial Summary For Period Ending May 2019



Summary of Revenues and Expenditures

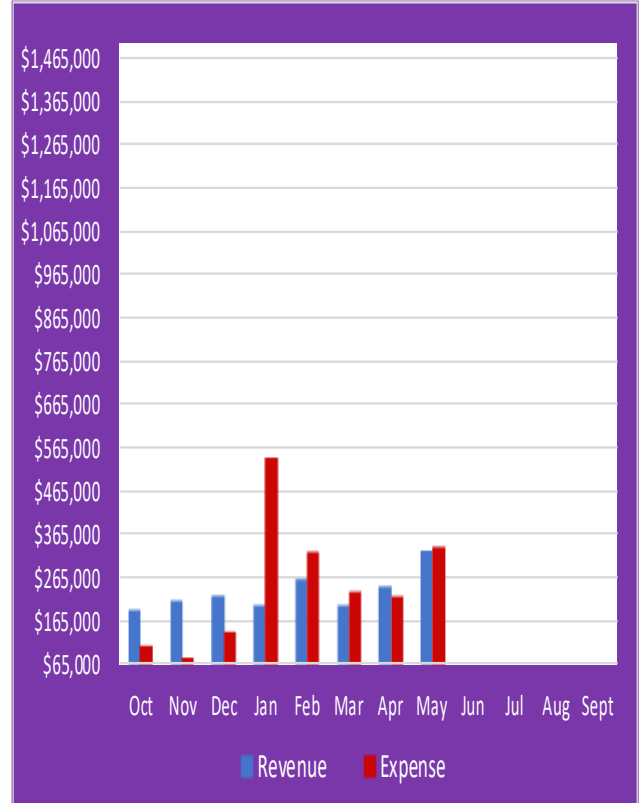
As of May 31, 2019



OVERALL FUND PERFORMANCE

REVENUES VS EXPENSES

Month	FY2019 Revenue	FY2019 Expense	Monthly Variance
Oct	\$ 188,063	\$ 107,119	\$ 80,944
Nov	208,065	80,898	\$ 127,167
Dec	221,414	140,654	\$ 80,760
Jan	195,226	535,818	\$ (340,592)
Feb	254,659	322,143	\$ (67,484)
Mar	196,893	228,006	\$ (31,113)
Apr	240,963	218,110	\$ 22,853
May	319,251	331,792	\$ (12,541)
Jun			
Jul			
Aug			
Sept			
Total	\$ 1,824,534	\$ 1,964,540	\$ (140,006)



Positive

The higher expense amounts are attributable to the Agnes Street project. This project is being funded out of bond funds received in FY2018.



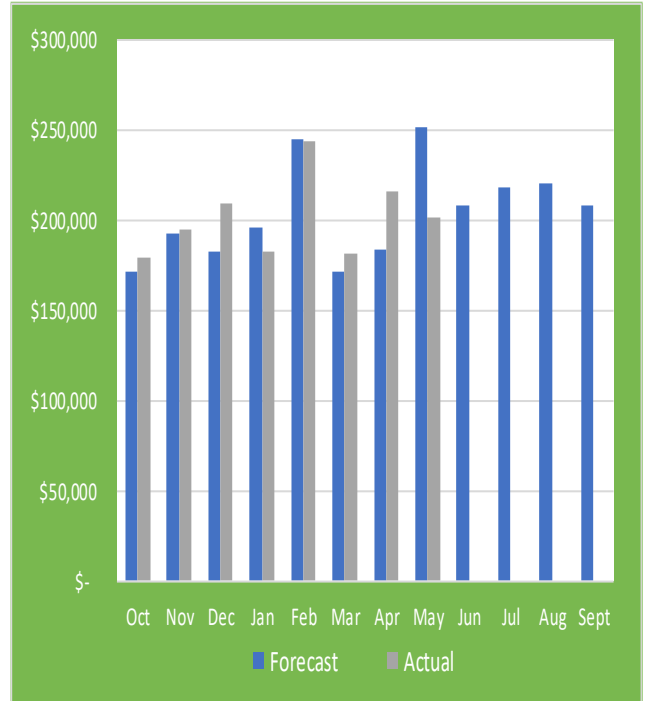
06/14/2019
Summary of Sales Tax Revenue
 As of May 31, 2019



REVENUE ANALYSIS

SALES TAX REVENUE

<u>Month</u>	FY2019 <u>Forecast</u>	FY2019 <u>Actual</u>	Monthly <u>Variance</u>
Oct	\$ 171,165	\$ 178,959	\$ 7,794
Nov	192,394	194,036	\$ 1,642
Dec	181,978	208,910	\$ 26,932
Jan	195,618	182,199	\$ (13,419)
Feb	244,522	242,902	\$ (1,620)
Mar	171,165	181,171	\$ 10,006
Apr	183,392	215,401	\$ 32,009
May	250,872	201,204	\$ (49,668)
Jun	207,844		
Jul	218,358		
Aug	220,070		
Sept	207,844		



Total	\$ 2,445,222	\$ 1,604,782	\$ 13,676
Forecast YTD	\$ 1,591,106		
Actual to Forecast	\$ 13,676	0.9%	

Positive

Sales Tax revenue is 75% of total revenue. The amount in Oct. and Nov. are estimated due to the timing of receiving the payments. The State Comptroller has a two month lag between month earned and month distributed. The Actual to forecast year to date is a positive 1%. It was noted that several taxpayers paid in April future tax periods, causing the actual to be much higher than projected and reflecting a negative in May.



Expenditures Budget to Actual Comparison

As of May 31, 2019



<u>Category</u>	<u>FY2019 Forecast</u>	<u>FY2019 Actual</u>	<u>Monthly Variance</u>
Personnel	\$ 305,543	\$ 286,958	\$ 18,585
Supplies & Material	17,540	17,387	\$ 153
Maintenance & Repairs	9,542	5,588	\$ 3,954
Occupancy	36,489	35,566	\$ 923
Contractual Service	365,306	215,397	\$ 149,909
Marketing/Advertising	341,610	319,810	\$ 21,800
Contingency	-	-	\$ -
Debt Service	90,384	90,384	\$ -
Total	\$ 1,166,414	\$ 971,090	\$ 195,324

Forecast to Actual % 16.75%

Positive

The forecast to actual comparison is a positive 16.75% year-to-date.



Expenditures Budget to Actual Comparison

As of May 31, 2019



CAPITAL OUTLAY PROJECTS

<u>Project</u>	FY2019 <u>Budget</u>	FY2019 <u>Actual</u>	Budget <u>Balance</u>
Trail System Downtown Loop (only engineering and permitting expenses so far)	\$ 629,218	\$ 18,858	\$ 610,360
Bus. Ind. Park-Tech/MLK Infra (only engineering expenses so far)	1,157,000	6,836	\$ 1,150,164
Agnes/Home Depot Way Infra Engineering & Corp. portion of construction improvements	1,078,466	973,108	\$ 105,358
			\$ -
Total	\$ 2,864,684	\$ 998,802	\$ 1,865,882

These projects are funded by various funds including 2013 Bond funds, operating funds and 2018 Bond funds.





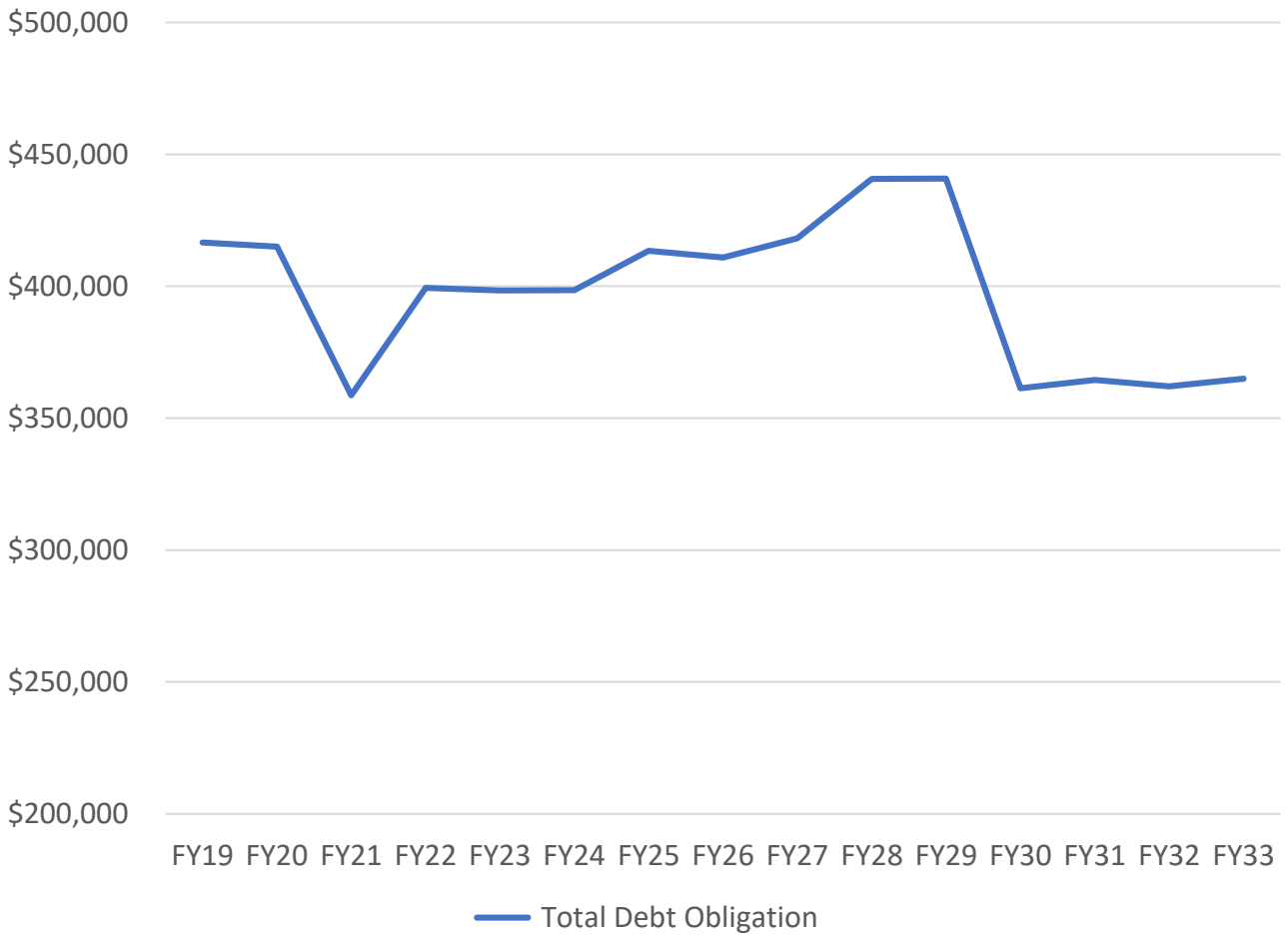
BASTROP ECONOMIC DEVELOPMENT CORPORATION FUND FY 2018-2019 BUDGET

Working Capital 9-30-2018	\$	5,069,820
 FY 2018-2019		
Budgeted		
Revenues	\$	<u>3,228,020</u>
Total FY 2018 Resources	\$	8,297,840
 Budgeted Expenditures:		
Operating Expenses	\$	(2,456,990)
Capital Expenses	\$	(2,664,684)
Debt Service (Interest only)	\$	<u>(462,828)</u>
	\$	(5,584,502)
Projected Working Capital Balance 09-30-2019	\$	2,713,338
 Reserve 25% of Operating Expense	 \$	 614,248

* The projected operating balance includes a \$150,000 reduction for designated operating equity.



Total Debt Obligation



BEDC Financial Statements attached

CITY OF BASTROP
FINANCIAL STATEMENT
AS OF: MAY 31ST, 2019

601-BASTROP E.D.C. FUND

REVENUES	PRIOR Y-T-D	CURRENT BUDGET	M-T-D ACTUAL	Y-T-D ACTUAL	BUDGET BALANCE	% OF BUDGET
<u>TAXES & PENALTIES</u>						
00-00-4005 SALES TAX	<u>1,569,162.96</u>	<u>2,445,220.00</u>	<u>201,204.36</u>	<u>1,604,782.34</u>	<u>840,437.66</u>	<u>65.63</u>
TOTAL TAXES & PENALTIES	1,569,162.96	2,445,220.00	201,204.36	1,604,782.34	840,437.66	65.63
<u>CHARGES FOR SERVICES</u>						
00-00-4047 LEASE AGREEMENT	<u>9,200.00</u>	<u>13,800.00</u>	<u>1,150.00</u>	<u>9,200.00</u>	<u>4,600.00</u>	<u>66.67</u>
TOTAL CHARGES FOR SERVICES	9,200.00	13,800.00	1,150.00	9,200.00	4,600.00	66.67
<u>OTHER REVENUE</u>						
<u>INTEREST INCOME</u>						
00-00-4400 INTEREST INCOME	40,283.04	53,000.00	11,146.89	91,579.24	(38,579.24)	172.79
00-00-4401 INTEREST RECEIVED ON NOTES	<u>401.38</u>	<u>1,000.00</u>	<u>0.00</u>	<u>124.84</u>	<u>875.16</u>	<u>12.48</u>
TOTAL INTEREST INCOME	40,684.42	54,000.00	11,146.89	91,704.08	(37,704.08)	169.82
<u>MISCELLANEOUS</u>						
00-00-4512 LAND/OTHER SALES	0.00	100,000.00	0.00	0.00	100,000.00	0.00
00-00-4514 MISCELLANEOUS INCOME	0.00	0.00	105,750.00	118,847.92	(118,847.92)	0.00
00-00-4558 BEDC GRANT RECEIPTS	<u>0.00</u>	<u>615,000.00</u>	<u>0.00</u>	<u>0.00</u>	<u>615,000.00</u>	<u>0.00</u>
TOTAL MISCELLANEOUS	0.00	715,000.00	105,750.00	118,847.92	596,152.08	16.62
<u>TRANSFERS-IN</u>						
<u>OTHER SOURCES</u>						
** TOTAL REVENUE **	1,619,047.38	3,228,020.00	319,251.25	1,824,534.34	1,403,485.66	56.52

CITY OF BASTROP
FINANCIAL STATEMENT
AS OF: MAY 31ST, 2019

601-BASTROP E.D.C. FUND

EXPENDITURES	PRIOR Y-T-D	CURRENT BUDGET	M-T-D ACTUAL	Y-T-D ACTUAL	BUDGET BALANCE	% OF BUDGET
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DUE TO/FROM
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00-NON-PROGRAM
=====

BEDC ADMINISTRATION
=====

00-NON-PROGRAM
=====

PERSONNEL COSTS

70-00-5101 BEDC OPERATIONAL SALARIES	167,594.41	376,293.00	27,378.98	215,988.64	160,304.36	57.40
70-00-5116 LONGEVITY	549.84	597.00	0.00	579.00	18.00	96.98
70-00-5150 SOCIAL SECURITY	12,715.00	20,770.00	2,045.54	16,112.14	4,657.86	77.57
70-00-5151 RETIREMENT	19,522.56	31,283.00	3,217.88	26,934.89	4,348.11	86.10
70-00-5155 GROUP INSURANCE	24,301.95	35,739.00	4,599.12	27,000.34	8,738.66	75.55
70-00-5156 WORKER'S COMPENSATION	<u>263.71</u>	<u>507.00</u>	<u>0.00</u>	<u>342.86</u>	<u>164.14</u>	<u>67.63</u>
TOTAL PERSONNEL COSTS	224,947.47	465,189.00	37,241.52	286,957.87	178,231.13	61.69

SUPPLIES & MATERIALS

70-00-5201 OPERATIONAL SUPPLIES (OFFIC	2,950.01	7,000.00	653.34	3,398.36	3,601.64	48.55
70-00-5203 POSTAGE	10.00	360.00	0.00	21.57	338.43	5.99
70-00-5206 OFFICE EQUIPMENT	<u>4,216.62</u>	<u>16,000.00</u>	<u>0.00</u>	<u>13,966.68</u>	<u>2,033.32</u>	<u>87.29</u>
TOTAL SUPPLIES & MATERIALS	7,176.63	23,360.00	653.34	17,386.61	5,973.39	74.43

MAINTENANCE & REPAIRS

70-00-5301 MAINT OF EQUIPMENT	0.00	1,000.00	0.00	225.00	775.00	22.50
70-00-5331 INDUSTRIAL PARK MAINT EXP	4,550.00	8,900.00	0.00	3,112.50	5,787.50	34.97
70-00-5345 BUILDING REPAIRS & MAINT.	<u>1,600.00</u>	<u>4,333.00</u>	<u>200.00</u>	<u>2,250.00</u>	<u>2,083.00</u>	<u>51.93</u>
TOTAL MAINTENANCE & REPAIRS	6,150.00	14,233.00	200.00	5,587.50	8,645.50	39.26

OCCUPANCY

70-00-5401 COMMUNICATIONS	5,600.79	8,880.00	164.03	4,512.52	4,367.48	50.82
70-00-5402 OFFICE RENTAL	29,700.00	42,899.00	3,300.00	29,700.00	13,199.00	69.23
70-00-5403 UTILITIES	<u>1,184.09</u>	<u>2,955.00</u>	<u>197.84</u>	<u>1,353.30</u>	<u>1,601.70</u>	<u>45.80</u>
TOTAL OCCUPANCY	36,484.88	54,734.00	3,661.87	35,565.82	19,168.18	64.98

CITY OF BASTROP
FINANCIAL STATEMENT
AS OF: MAY 31ST, 2019

601-BASTROP E.D.C. FUND

EXPENDITURES	PRIOR Y-T-D	CURRENT BUDGET	M-T-D ACTUAL	Y-T-D ACTUAL	BUDGET BALANCE	% OF BUDGET
<u>CONTRACTUAL SERVICES</u>						
70-00-5505 PROFESSIONAL SERVICES	11,399.00	293,191.00	(3,589.01)	50,499.00	242,692.00	17.22
70-00-5518 AUDIT	0.00	10,000.00	0.00	0.00	10,000.00	0.00
70-00-5525 LEGALS	23,244.02	30,000.00	1,932.79	11,551.76	18,448.24	38.51
70-00-5526 LEGAL PROJECTS	2,216.50	9,000.00	1,326.00	4,153.50	4,846.50	46.15
70-00-5530 ENGINEERING	1,900.00	15,000.00	0.00	11,900.00	3,100.00	79.33
70-00-5540 PROPERTY INSURANCE	731.81	1,250.00	0.00	771.57	478.43	61.73
70-00-5561 CONTRACTUAL SERVICES	4,000.00	13,788.05	0.00	13,788.05	0.00	100.00
70-00-5574 CITY PROJECTS & PROGRAMS	50,000.00	316,600.00	0.00	0.00	316,600.00	0.00
70-00-5575 CITY SHARED SERVICES	0.00	7,500.00	0.00	0.00	7,500.00	0.00
70-00-5580 BIP TECHNOLOGY/MLK INFRASTR	103,200.00	103,200.00	8,600.00	77,400.00	25,800.00	75.00
70-00-5596 MAIN STREET PROG SUPPORT	33,333.36	50,000.00	4,166.67	33,333.36	16,666.64	66.67
70-00-5598 CITY ADMINISTRATIVE SUPPORT	<u>12,000.00</u>	<u>18,000.00</u>	<u>1,500.00</u>	<u>12,000.00</u>	<u>6,000.00</u>	<u>66.67</u>
TOTAL CONTRACTUAL SERVICES	242,024.69	867,529.05	13,936.45	215,397.24	652,131.81	24.83
<u>OTHER CHARGES</u>						
70-00-5603 MARKETING TRAVEL	13,241.40	28,000.00	3,266.99	15,992.18	12,007.82	57.11
70-00-5604 BUSINESS DEVELOPMENT	4,057.59	10,000.00	40.00	1,898.83	8,101.17	18.99
70-00-5605 TRAINING TRAVEL	5,707.68	17,000.00	1,060.68	14,928.35	2,071.65	87.81
70-00-5606 AUTO ALLOWANCE - STAFF	0.00	7,000.00	584.50	2,147.89	4,852.11	30.68
70-00-5615 DUES, SUBSCRIPTIONS & PUBLI	18,805.19	24,000.00	1,680.23	22,694.26	1,305.74	94.56
70-00-5631 BONDS FOR BEDC OFFICERS	885.50	1,000.00	0.00	966.00	34.00	96.60
70-00-5633 LOCAL/MISC ADV & SPONSORSHI	6,141.44	10,750.00	550.00	7,521.09	3,228.91	69.96
70-00-5634 NATIONAL/REG ADV & MARKETIN	16,655.91	45,000.00	4,000.00	4,810.03	40,189.97	10.69
70-00-5636 DIGITAL ADV & MARKETING	1,308.82	20,000.00	1,598.22	12,900.72	7,099.28	64.50
70-00-5637 SPECIAL ADV & MARKETING	0.00	1,000.00	0.00	0.00	1,000.00	0.00
70-00-5641 SPL EDUC & WORKFORCE DEVELO	15,404.32	20,000.00	1,472.21	14,272.84	5,727.16	71.36
70-00-5642 SPL ENTREPRENEURIAL/SM BUS	16,256.73	10,000.00	0.00	0.00	10,000.00	0.00
70-00-5643 SPL RETAIL RECRUITING	11,095.00	19,000.00	0.00	14,500.00	4,500.00	76.32
70-00-5644 380 AGREEMENT REIMBURSEMENT	186,345.41	385,000.00	0.00	187,844.52	197,155.48	48.79
70-00-5646 LAND/GRANT REBATES	5,000.00	82,979.00	0.00	9,333.00	73,646.00	11.25
70-00-5650 SPL PRJT BUS RETEN & EXPAN	2,326.74	5,000.00	0.00	0.00	5,000.00	0.00
70-00-5689 OPPORTUNITY AUSTIN	0.00	10,000.00	10,000.00	10,000.00	0.00	100.00
70-00-5690 CASH INCENTIVE	0.00	123,535.00	0.00	0.00	123,535.00	0.00
70-00-5691 CLOSING COSTS	<u>0.00</u>	<u>35,000.00</u>	<u>0.00</u>	<u>0.00</u>	<u>35,000.00</u>	<u>0.00</u>
TOTAL OTHER CHARGES	303,231.73	854,264.00	24,252.83	319,809.71	534,454.29	37.44
<u>CONTINGENCY</u>						
70-00-5900 CONTINGENCY	<u>0.00</u>	<u>25,000.00</u>	<u>0.00</u>	<u>0.00</u>	<u>25,000.00</u>	<u>0.00</u>
TOTAL CONTINGENCY	0.00	25,000.00	0.00	0.00	25,000.00	0.00

CITY OF BASTROP
FINANCIAL STATEMENT
AS OF: MAY 31ST, 2019

601-BASTROP E.D.C. FUND

EXPENDITURES	PRIOR Y-T-D	CURRENT BUDGET	M-T-D ACTUAL	Y-T-D ACTUAL	BUDGET BALANCE	% OF BUDGET
<u>CAPITAL OUTLAY</u>						
70-00-6713 TRAIL SYS FROM ESKEW TO HWY	5,775.48	629,218.00	13,915.00	18,857.50	610,360.50	3.00
70-00-6715 BIP TECHNOLOGY/MLK INFRASTR	95,690.51	1,157,000.00	0.00	1,486.25	1,155,513.75	0.13
70-00-6716 AGNES/HOME DEPOT INFRASTRUC	<u>309,717.50</u>	<u>1,078,466.00</u>	<u>237,931.41</u>	<u>973,107.54</u>	<u>105,358.46</u>	<u>90.23</u>
TOTAL CAPITAL OUTLAY	411,183.49	2,864,684.00	251,846.41	993,451.29	1,871,232.71	34.68
<u>DEBT SERVICE</u>						
70-00-7133 C OF O SERIES 2013 PRINCIPL	0.00	76,000.00	0.00	0.00	76,000.00	0.00
70-00-7134 C OF O SERIES 2013 INTEREST	48,299.37	94,469.00	0.00	47,234.37	47,234.63	50.00
70-00-7137 C OF O SERIES 2010 PRINCIPA	0.00	49,274.00	0.00	0.00	49,274.00	0.00
70-00-7138 C OF O SERIES 2010 INTEREST	4,751.74	7,876.00	0.00	3,938.02	3,937.98	50.00
70-00-7156 GO REFUNDING 2017-INT	10,000.00	20,000.00	0.00	10,000.00	10,000.00	50.00
70-00-7605 BOND PRINCIPAL 2018	0.00	60,000.00	0.00	0.00	60,000.00	0.00
70-00-7606 BOND INTEREST 2018	<u>0.00</u>	<u>47,318.95</u>	<u>0.00</u>	<u>26,131.25</u>	<u>21,187.70</u>	<u>55.22</u>
TOTAL DEBT SERVICE	<u>63,051.11</u>	<u>354,937.95</u>	<u>0.00</u>	<u>87,303.64</u>	<u>267,634.31</u>	<u>24.60</u>
TOTAL 00-NON-PROGRAM	1,294,250.00	5,523,931.00	331,792.42	1,961,459.68	3,562,471.32	35.51
ADMINISTRATION =====						
<u>CAPITAL OUTLAY</u>						
<u>DEBT SERVICE</u>						
70-10-7097 INTEREST EXPENSE ON FNB NOT	0.00	500.00	0.00	0.00	500.00	0.00
70-10-7603 BOND PRINCIPAL 2006	0.00	55,000.00	0.00	0.00	55,000.00	0.00
70-10-7604 BOND INTEREST 2006	<u>3,998.37</u>	<u>5,071.00</u>	<u>0.00</u>	<u>3,080.00</u>	<u>1,991.00</u>	<u>60.74</u>
TOTAL DEBT SERVICE	<u>3,998.37</u>	<u>60,571.00</u>	<u>0.00</u>	<u>3,080.00</u>	<u>57,491.00</u>	<u>5.08</u>
TOTAL ADMINISTRATION	3,998.37	60,571.00	0.00	3,080.00	57,491.00	5.08
TOTAL BEDC ADMINISTRATION	1,298,248.37	5,584,502.00	331,792.42	1,964,539.68	3,619,962.32	35.18
*** TOTAL EXPENSES ***	1,298,248.37	5,584,502.00	331,792.42	1,964,539.68	3,619,962.32	35.18
*** END OF REPORT ***						

AS OF: MAY 31ST, 2019

601-BASTROP E.D.C. FUND

ACCOUNT# TITLE

ASSETS
=====

00-00-1010	BEDC OPERATING ACCT	186,001.00
00-00-1012	TEXAS CLASS	2,042,138.50
00-00-1100	TEXPOOL	2,847,269.37
00-00-1135	DREYFUS MM ACCT	5,493.46
00-00-1141	CERTIFICATE OF DEPOSIT FN	543,000.00
00-00-1224	ACCT RECEIVABLE-SALES TAX	371,351.33
00-00-1272	NOTES RECEIVABLE-GARMENT(4,165.87)
00-00-1274	NOTES RECEIVABLE-GTG-LOA(667.47)
00-00-1275	NOTES RECEIVABLE-GTG-LOA(399.61)
00-00-1276	NOTES RECEIVABLE-GTG-LOA(9.58)
00-00-1420	EQUIPMENT	8,300.77
00-00-1460	FIXED ASSETS - BUILDING	845,593.73
00-00-1470	FIXED ASSETS - LAND	844,671.06
00-00-1480	FIXED ASSETS - INFRASTRUC	0.18
00-00-1490	CONST IN PROGRESS-INFRAST	591,906.94
00-00-1499	ACCUMULATED DEPRECIATION(330,597.36)
00-00-1570	DEFERRED OUTFLOW-CITY OPE	1,702.00
00-00-1575	DEFERRED OUTFLOWS-PENSION	20,827.00
00-00-1576	DEFERRED OUTFLOWS-ACTUARI	4,839.00
00-00-1578	DEFERRED OUTFLOWS-ASSUMPT	1,268.00
00-00-1579	DEFERRED OUTFLOW-TMRS OPE	<u>679.00</u>

7,979,201.45

TOTAL ASSETS

7,979,201.45
=====

06/14/2019

BALANCE SHEET

AS OF: MAY 31ST, 2019

601-BASTROP E.D.C. FUND

ACCOUNT# TITLE

LIABILITIES & FUND BALANCE

=====

00-00-2039	RETAINAGE PAYABLES	40,864.18
00-00-2080	NOTES PAYABLE-CITY-WTR PR	240,000.00
00-00-2081	NOTES PAYABLE-CITY-TDC (16,665.94)
00-00-2101	BONDS PAYABLE CURRENT POR	312,774.00
00-00-2102	TAX/REV 2006 BOND PAYABLE	55,000.00
00-00-2103	TAX/REV BOND SERIES 2018	1,190,000.00
00-00-2125	ACCRUED INTEREST PAYABLE	21,043.76
00-00-2127	ACCRUED EXPENSES-TMRS OPE	46,866.22
00-00-2235	UNEARNED REVENUE-TOWER	18,400.00
00-00-2346	DUE TO CLEARING FUND	37,703.06
00-00-2356	DUE TO OTHER GOVERNMENTS	3,000,418.44
00-00-2370	DEFERRED INFLOW-CITY OPEB	1,926.00
00-00-2376	DEFERRED INFLOW-ACTUARIAL	14,877.00
00-00-2405	ENCUMBRANCE ACCOUNT (248,257.42)
00-00-2406	RESERVE FOR ENCUMBRANCE	248,257.42
00-00-2850	NET PENSION LIABILITY	84,229.00
00-00-2870	COMPENSATED ABSENCES PAYA	<u>16,320.55</u>

5,063,756.27

TOTAL LIABILITIES

5,063,756.27

SURPLUS (DEFICIT) (140,005.34)

00-00-3000	NET ASSETS	2,415,355.70
00-00-3119	DESIGNATED OPERATING	150,000.00
00-00-3400	CONTRIBUTED CAPITAL	521,695.50
00-00-3506	RESTRICTED-ELLIOTT PARTN(0.01)
00-00-3507	RESTRICTED - AEI TECHNOLO	9,333.00
00-00-3700	PRIOR PERIOD ADJ (<u>40,933.67</u>)

TOTAL EQUITY

2,915,445.18

TOTAL LIABILITIES & FUND EQUITY

7,979,201.45

=====



Agenda Item: 3.3

AGENDA MEMORANDUM

Meeting Date: June 17, 2019

Agenda Item: Consideration, discussion and possible action on Resolution R-2019-0007 of the Bastrop Economic Development Corporation approving and requesting approval of an amendment to the BEDC's FY 2018/2019 annual budget to allocate THREE HUNDRED SEVENTY-SEVEN THOUSAND SEVENTY-TWO (\$377,072) DOLLARS from reserve funds to be used for the cash down payment on a loan for construction costs for the 921 Main Street Project, to be used first in the construction project.

Prepared by: BEDC Staff

At the May Board meeting, the BEDC Board of Directors passed Resolution R-2019-0006 approving the BEDC obtaining a loan in the amount of \$1.8 million from Roscoe State Bank. Approval from Bastrop City Council has been received via two separate readings of Resolution No. R-2019-54.

The cash down payment on the loan is expected to be approximately \$377,072, which will be the initial expenditure toward the construction project. As this amount was not budgeted for in the FY 2018/2019 budget, BEDC staff is requesting a budget amendment for the cash down payment on the loan. Once Board approval is received, the budget amendment will require approval by City Council.

Recommendation – Approve the Resolution as presented.

[RECOMMENDED MOTION] – I move to approve Resolution R-2019-0007.

RESOLUTION NO. R-2019-0007

A RESOLUTION OF THE BASTROP ECONOMIC DEVELOPMENT CORPORATION APPROVING AND REQUESTING APPROVAL OF AN AMENDMENT TO THE BASTROP ECONOMIC DEVELOPMENT CORPORATION'S FY 2018/2019 ANNUAL BUDGET TO ALLOCATE THREE HUNDRED SEVENTY-SEVEN THOUSAND SEVENTY-TWO (\$377,072) DOLLARS FROM RESERVE FUNDS TO BE USED FOR THE CASH DOWN PAYMENT ON A LOAN FOR CONSTRUCTION COSTS FOR THE 921 MAIN STREET PROJECT, TO BE USED FIRST IN THE CONSTRUCTION PROJECT.

WHEREAS, the Bastrop Economic Development Corporation ("BEDC") is a public instrumentality and non-profit industrial development corporation duly established and operating under Local Government Code, Chapters 501 and 505, et seq., as amended, known as the Development Corporation Act of 1979 (the "Act"), and is acting with the approval of the governing body of the City of Bastrop, Texas (the "City"); and

WHEREAS, the BEDC needs to improve the site it owns at 921 Main Street in Bastrop, Texas, and to construct a facility and building upon that site to fulfill its public purpose in attracting qualifying projects ("Project") under Texas Local Government Code, Chapters 501 and 505, et seq., as amended; and

WHEREAS, after careful evaluation and consideration by the Board, it was determined that the Project proposed by Stone Development Group, Inc. ("Company") will: (i) improve infrastructure upon a dilapidated and previously abandoned City lot; (ii) promote and develop new and expanded business enterprises; (iii) creation of primary jobs and full-time employees; and, (iv) facilitate the remediation of the property located at 921 Main Street, Bastrop, Texas, and owned by the BEDC; and

WHEREAS, after careful evaluation and consideration by the Board, it was determined that the BEDC would obtain a loan in the amount of ONE MILLION EIGHT HUNDRED THOUSAND (\$1,800,000.00) DOLLARS to facilitate the development of the property located at 921 Main Street, Bastrop, Texas, and owned by the BEDC, by Resolution R-2019-0006 approved by the BEDC Board on May 20, 2019; and

WHEREAS, the BEDC adopted its FY 2018/2019 Annual Budget on August 20, 2018, which was subsequently adopted and authorized by the City of Bastrop City Council; and

WHEREAS, the financing option chosen by the Board includes a down payment net of the project costs in the approximate amount of \$377,072, which will be used first in the construction project; and

WHEREAS, the FY 2018/2019 Annual Budget did not include sufficient funding and therefore must be amended to allocate funds for the down payment required for the loan; and

WHEREAS, it is hereby officially found and determined that the meeting at which this Resolution was passed was open to the public, and public notice of the time, place and purpose at which it was read was given in accordance with Chapter 551, Texas Government Code.

RESOLUTION NO. R-2019-0007

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BASTROP ECONOMIC DEVELOPMENT CORPORATION THAT:

SECTION 1. The Board hereby finds that all of the recitals above are true and correct and are incorporated herein as if restated in full.

SECTION 2. The Board approves an amendment to the FY 2018/2019 Annual Budget to allocate funds from the BEDC Reserve Fund Balance Account in the amount of \$377,072 to the appropriate BEDC account to be determined by the City of Bastrop’s Finance Director (the “Budget Amendment”).

SECTION 3. The Board recommends and requests that the Budget Amendment approved hereby by the BEDC be considered and approved by the City of Bastrop City Council for the purposes stated herein.

SECTION 4. This Resolution is effective upon passage.

DULY RESOLVED AND ADOPTED on this ____ day of _____ 2019 by the Board of Directors of the Bastrop Economic Development Corporation.

BASTROP ECONOMIC
DEVELOPMENT CORPORATION

Kathryn Nash, Board Chair

ATTEST:

Sam Kier, Board Secretary

APPROVED AS TO FORM:

Denton, Navarro, Rocha, Bernal & Zech, P.C.



Agenda Item: 3.4

AGENDA MEMORANDUM

Meeting Date: June 17, 2019

Agenda Item: Consideration, discussion and possible action on the appointment of an Interim Executive Director for the BEDC.

Prepared by: BEDC Staff

Per legal counsel, if the Board of Directors chooses to appoint an Interim Executive Director of the BEDC until an Executive Director is hired, official Board action should be taken.

Recommendation – Motion to approve appointed Interim Executive Director.



Agenda Item: 3.5

AGENDA MEMORANDUM

Meeting Date: June 17, 2019

Agenda Item: Update on EDC staff activities (e.g., marketing, prospects, projects, events, and other updates).

Prepared by: BEDC Staff

Please see attached presentation.

Attachment: PowerPoint Presentation about EDC activities.

Recommendation – No recommendation; item for informational purposes only.





TODAY'S AGENDA

01.
Call To Order

02.
Public Comment

03.
Regular Business & Presentations

04.
Executive Session

05.
Adjournment



2. PUBLIC COMMENT



3.1

Regular Business & Presentations

Approval of meeting
minutes of the Bastrop
EDC Regular Board
Meeting of
May 20, 2019.



3.2

Regular Business & Presentations

Acceptance of the
Bastrop EDC's financial
summary report for
period ending
May 31, 2019.



Summary of Revenues and Expenditures – 05/31/19 31

Month	FY 2019 Revenue	FY 2019 Expense	Monthly Variance
October	\$188,063	\$107,119	\$80,944
November	208,065	80,898	127,167
December	221,414	140,654	80,760
January	195,226	535,818	(340,592)
February	254,659	322,143	(67,484)
March	196,893	228,006	(31,113)
April	240,963	218,110	22,853
May	319,251	331,792	(12,541)
June			
July			
August			
September			
Total	\$1,824,534	\$1,964,540	\$(140,006)



Summary of Sales Tax Revenue – 05/31/19

Month	FY 2019 Forecast	FY 2019 Actual	Monthly Variance
October	\$171,165	\$178,959	\$7,794
November	192,394	194,036	1,642
December	181,978	208,910	26,932
January	195,618	182,199	(13,419)
February	244,522	242,902	(1,620)
March	171,165	181,171	10,006
April	183,392	215,401	32,009
May	250,872	201,204	(49,668)
June	207,844		
July	218,358		
August	220,070		
September	207,844		
Total	\$2,445,222	\$1,604,782	\$13,676 0.9% increase



Expenditures Budget to Actual – 05/31/19

OPERATING EXPENDITURES COMPARISON

<u>Category</u>	FY2019 <u>Forecast</u>	FY2019 <u>Actual</u>	Monthly <u>Variance</u>
Personnel	\$ 305,543	\$ 286,958	\$ 18,585
Supplies & Material	17,540	17,387	\$ 153
Maintenance & Repairs	9,542	5,588	\$ 3,954
Occupancy	36,489	35,566	\$ 923
Contractual Service	365,306	215,397	\$ 149,909
Marketing/Advertising	341,610	319,810	\$ 21,800
Contingency	-	-	\$ -
Debt Service	<u>90,384</u>	<u>90,384</u>	<u>\$ -</u>
Total	<u>\$ 1,166,414</u>	<u>\$ 971,090</u>	<u>\$ 195,324</u>

Forecast to Actual % 16.75%

Positive

The forecast to actual comparison is a positive 16.75% year-to-date.



Expenditures Budget to Actual – 05/31/19

CAPITAL OUTLAY PROJECTS

<u>Project</u>	FY2019 <u>Budget</u>	FY2019 <u>Actual</u>	Budget <u>Balance</u>
Trail System Downtown Loop (only engineering and permitting expenses so far)	\$ 629,218	\$ 18,858	\$ 610,360
Bus. Ind. Park-Tech/MLK Infra (only engineering expenses so far)	1,157,000	6,836	\$ 1,150,164
Agnes/Home Depot Way Infra Engineering & Corp. portion of construction improvements	1,078,466	973,108	\$ 105,358 \$ -
Total	\$ 2,864,684	\$ 998,802	\$ 1,865,882

These projects are funded by various funds including 2013 Bond funds, operating funds and 2018 Bond funds.



BASTROP ECONOMIC DEVELOPMENT CORPORATION FUND
FY 2018-2019 BUDGET

Unaudited Operating Fund Balance 9-30-2018	\$ 5,069,820
FY 2018-2019	
Budgeted	
Revenues	\$ <u>3,228,020</u>
Total FY 2018 Resources	\$ 8,297,840
Budgeted Expenditures:	
Operating Expenses	\$ (2,456,990)
Capital Expenses	\$ (2,664,684)
Debt Service	\$ <u>(462,828)</u>
	\$ (5,584,502)
Projected Ending Gross Fund Balance 09-30-2019	\$ 2,713,338
Reserve 25% of Operating Expense	\$ 614,248



3.3

Regular Business & Presentations

Consideration, discussion and possible action on Resolution R-2019-0007 of the Bastrop Economic Development Corporation approving and requesting approval of an amendment to the BEDC's FY 2018/2019 annual budget to allocate THREE HUNDRED SEVENTY-SEVEN THOUSAND SEVENTY-TWO (\$377,072) DOLLARS from reserve funds to be used for the cash down payment on a loan for construction costs for the 921 Main Street Project, to be used first in the construction project.



3.4 Regular Business & Presentations

Consideration, discussion
and possible action on
appointing an Interim
Executive Director for the
BEDC.



3.5 ACTIVITY REPORT



- Jean attended the ICSC RECon event in Las Vegas May 20th – 22nd.
- Phallan and Kathryn presented at the May 28th City Council Meeting.
- Phallan attended the Staff Liaison Meeting for the Board Commission & Volunteer Fair in July on May 24th.
- Phallan attended the BEST Breakfast on May 31st.
- Focus Groups for the Strategic Plan were held on June 4th at the Convention Center.
- Phallan attended the Building Bastrop Pop-up Street Event on June 8th.
- Phallan presented at the June 11th City Council Meeting. Kathryn, Angela & Jean also attended.
- Phallan attended the TEDC Mid-Year Conference June 12th-14th.
- Jean attended the Community Partners Breakfast on June 12th.
- Jean had a speaking engagement at Double Eagle Ranch for the 30 Top Earning Realtors & Brokers on June 12th.



Business Recruitment Activity Matrix

	MAY 2019	FY 2019 YTD ⁴⁰
OUT OF REGION VISITS	4	28
SOURCES OF LEADS	1	29
Internal Leads		
Direct Company	1	5
Local/Regional Broker	0	6
Site Consultant	0	1
Site Location Partnership	0	1
Other	0	2
External Leads		
Austin Chamber	0	8
State	0	6
PROSPECT FOLLOW UP REQUEST	145	1,003
PROSPECT VISITS	4	13
New (1 st)	2	7
Repeat	2	6
Announcements	1	1



Business Retention & Expansion

Existing Business Engagements

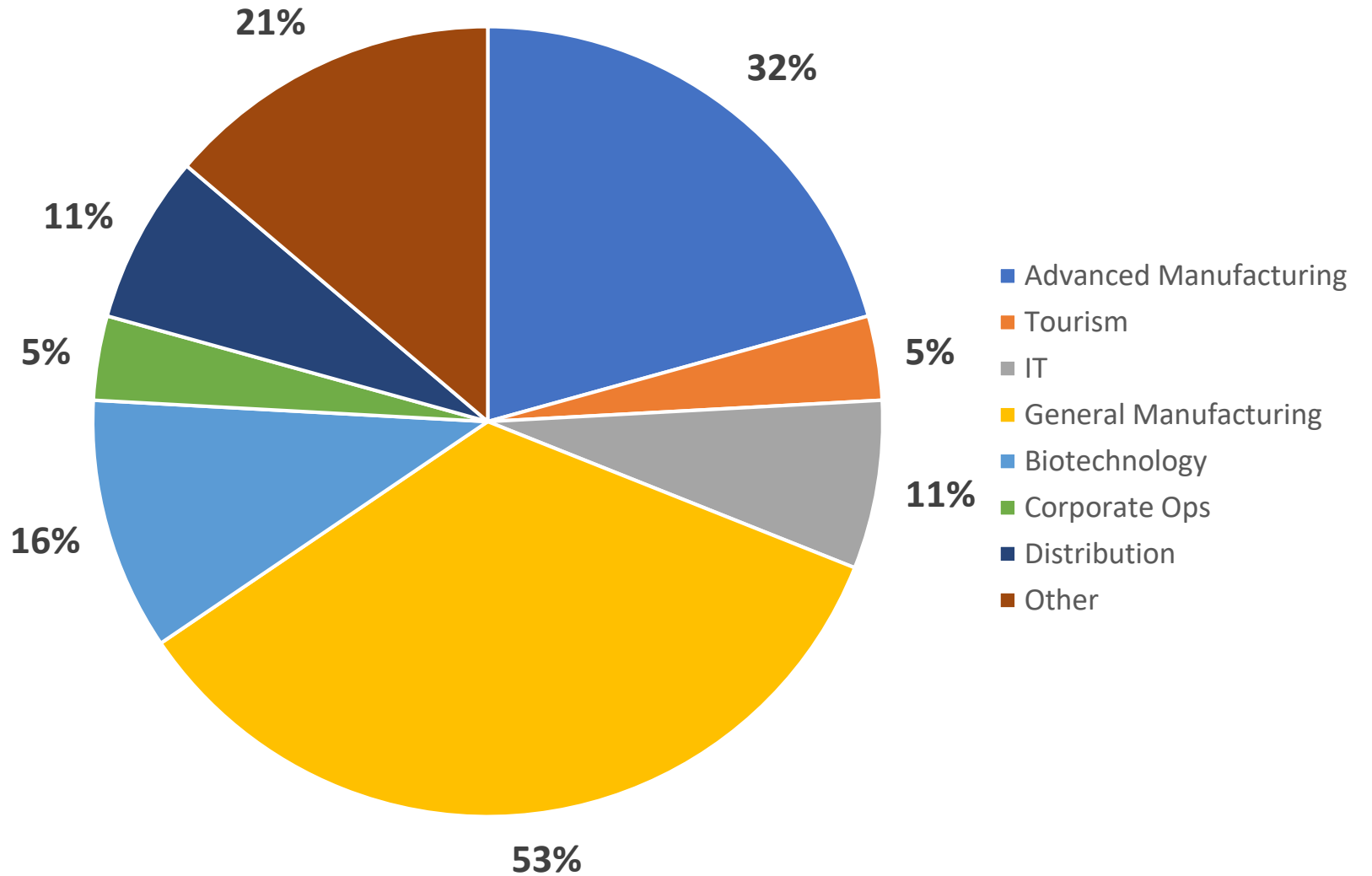
	May 2018	May 2019	FY 2019 YTD
TOTAL ENGAGEMENTS	0	14	54
In Person Visits	0	3	26
Assistance Requests	0	10	22
Workforce Dev. Mtgs.	0	1	6



FY 19 YTD LEADS BY INDUSTRY

Project Updates

6,593 jobs
4,415,000 sq. ft.
\$1,712,889,771



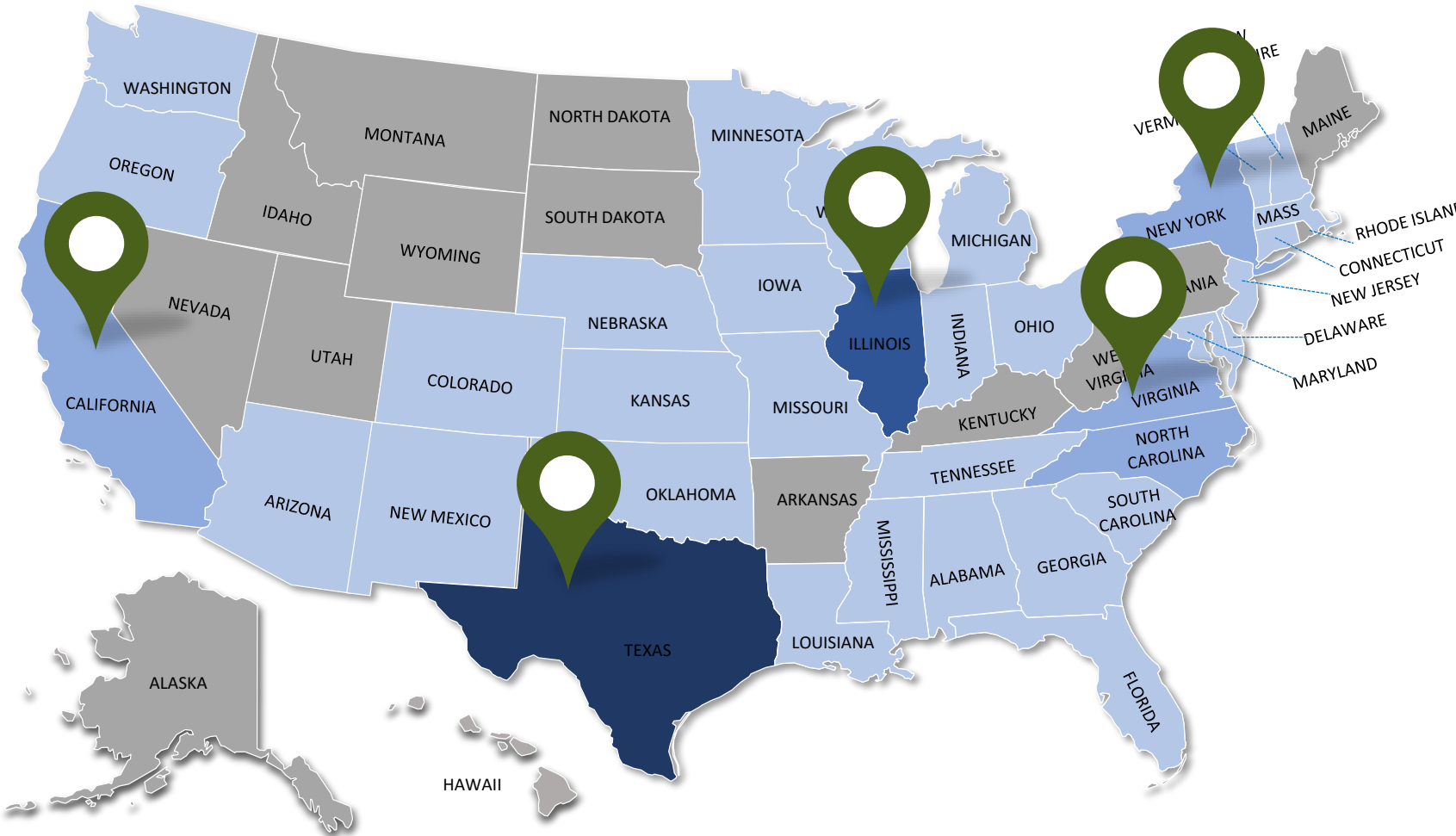


- **1,292 Unique Users; 3,108 Page Views**
- **79.7% New vs. 20.3% Returning Users**
- **40 States & 31 Countries** represented by website visits in May
- **Top Pages Visited:** Blog, Community History, News, Meet the Staff, Major Employers
- **49%** found the website organically through search engines; **29.7%** visited directly using URLs; **19%** visited via social media, and **2.3%** were referred.



WEBSITE ANALYTICS MAY 2019

Users visiting website by state comparison



TOP 5 WITH MOST VISITORS

States:

- Texas – 815
- Illinois – 80
- Virginia – 72
- California – 35
- New York – 22

Countries:

- United States – 1,184
- China – 13
- India – 9
- Canada – 18
- Japan – 7



Social Media Engagement

	May 2018	May 2019
TOTAL LIKES/FOLLOWERS	3,771	5,376
Facebook Page Likes	3,771	3,949
Twitter Followers	Unknown	1,138
LinkedIn Followers	Unknown	177



Facebook Highlights: May 14 – June 10

Overview:

- 36,649 people reached
- 2,262 clicks, comments, reactions and shares
- 8,369 video views
- Earned media value (reach x cost per impression): \$183,245



06/14/2019 Popular Facebook Post



Bastrop Economic Development Corporation

Published by Phallan Davis [?] · May 31 at 10:03 AM · 🌐

With Texas 71 now a proven corridor for business — Zoho Corp. announced last month that it was moving its headquarters to a campus along Texas 71 in eastern Travis County — similar growth trends might be further fueled by tech industries moving into the area. Business centers, restaurants and other entertainment venues then follow. #BastropMeansBusiness



STATESMAN.COM

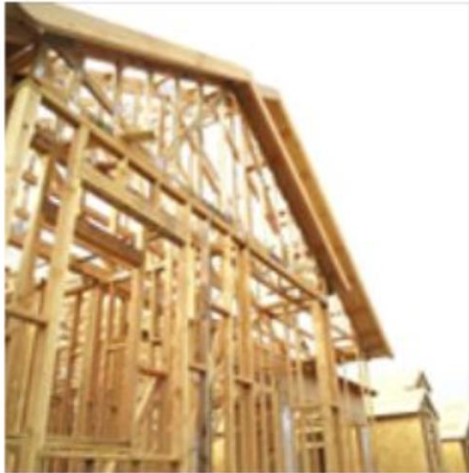
Census: Bastrop County is 18th fastest growing county in state

- 7,992 people reached
- 144 clicks, comments, reactions and shares
- Earned media value (reach x cost per impression): \$39,960
- Ad has relevance score of 7, which means it has more positive feedback and costs less to deliver than most ads on Facebook



EARNED MEDIA

Bastrop Economic Development Corp. Executive Director Mike Kamerlander said it was important to make sure Bastrop's future growth wasn't hindered by outdated land use regulations — "by something we could have controlled if we got it right." #BastropMeansBusiness



BIZJOURNALS.COM

Bastrop ready to build again - Austin Business Journal

Bastrop and builders weigh the lessons learned from a...

[Learn More](#)



Project Updates

- Agnes I: Projected to be complete by the end of June.
- 921 Main: Working to secure financing to begin construction quickly.
- Downtown Trail: Construction expected to commence in August.
- Technology Drive: Have received the Interlocal agreement draft and will be working with Bastrop County, City of Bastrop, and Bastrop EDC in the coming weeks.



4.1 Executive Session

The Bastrop EDC Board reserves the right to convene into Executive Session at any time during the meeting regarding any agenda item in compliance with the Texas Open Meetings Act, Chapter 551 Government Code.



The Bastrop EDC Board of Directors will⁵⁰ meet in a closed/executive session pursuant to the Texas Government Code, Chapter 551, to discuss the following:

- (1)** Section 551.071 Consultation with Attorney – Project Agnes II, Project Compassionate, Project Green, Project Noah, Project Gnome, Project Technology/ MLK, Project Bronze Star, Project Paint by Number, Project Molly, and 921 Main Street
- (2)** Section 551.072 Deliberation about the purchase, exchange, lease, or value of real property – Project Paint by Number, Project Molly, and 921 Main Street
- (3)** Section 551.087 Deliberation regarding the commercial or financial information received on potential projects – Project Agnes II, Project Compassionate, Project Green, Project Noah, Project Gnome, Project Technology/MLK, Project Bronze Star, Project Paint by Number, Project Molly
- (4)** Section 551.074 Personnel Matters – to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of an employee.

4.2

Executive Session

The Bastrop EDC Board of Directors will reconvene into open session to discuss, consider and/or take any action necessary related to the executive session items noted herein.



ADJOURN

Next Meeting: July 15, 2019

