

**CITY OF THE COLONY
2009-2010
ANNUAL BUDGET**

ECONOMIC DEVELOPMENT

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Economic Development Director

ECONOMIC DEVELOPMENT CORPORATION – TYPE A

The Development Corporation Act of 1979 as amended June 2003 provides the guidelines under which the Economic Development Corporation functions.

On January 17, 1998, the voters of the City of The Colony approved two half-cent sales taxes to promote economic development. The Colony Economic Development Corporation (the “EDC”) is funded by a half-cent sales tax. A Director administers the daily operations of the EDC. Five individuals comprise the corporation’s board of directors. These board members are selected and appointed by city council. The Board may approve economic development incentives up to \$100,000 each (not to exceed an aggregate of \$500,000 during a fiscal year). City Council approves the EDC budget. By contract, the city administers and staffs the EDC for the board.

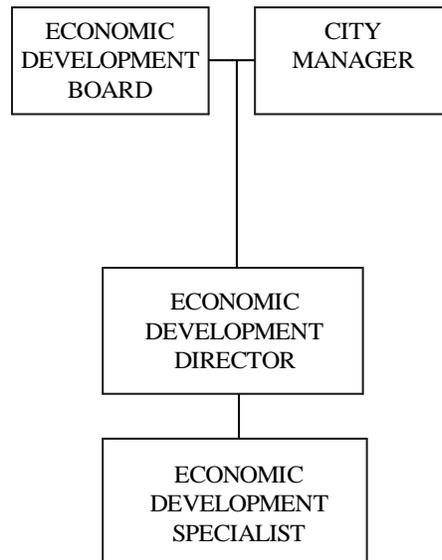
The Colony Economic Development Corporation’s mission is, “To support quality commercial development activities that generate local employment and enhance the economic well being of The Colony.” To accomplish this mission the EDC focuses on recruitment of retail, corporate office development and warehouse/distribution for the City while maintaining an active business retention program.

Recruitment is accomplished by marketing the City to commercial brokers and developers, site selection companies and site selection executives regionally, statewide and nationally. The business retention program involves the Director working in concert with the City Manager to make scheduled visits to businesses within the community.

The Colony is fortunate to have a business friendly City Council and a pro-active EDC Board of Directors. The attitude of both organizations is “make it happen” when it comes to expanding the commercial tax base of the community. Within the guidelines of the Development Corporation Act the EDC will offer attractive incentive packages to recruit retail, corporate office relocations and warehouse/distribution projects as well as local business expansion. The City Council has demonstrated a desire to join the EDC in this effort to do their part to attract development to the City.

A summary presentation of revenue and expenditure totals for the 2009-2010 budget year is included on the following pages.

ECONOMIC DEVELOPMENT ORGANIZATIONAL CHART 2009-2010 BUDGET



ECONOMIC DEVELOPMENT -TYPE A SALES TAXES
Revenue & Expenditure Projections
For Revised 2007-2008 & 2008-2009 Budget Year

	2005-2006 Actual	2006-2007 Actual	2007-2008 Actual	2008-2009 Budget	2008-2009 Revised	2009-2010 Budget
CITY SALES TAXES:						
Sales Tax Revenues	1,329,558	1,394,327	1,476,096	1,498,000	1,498,000	1,498,000
Investment Income	254,726	288,508	183,787	100,000	80,000	60,000
Miscellaneous Revenue	13,932	-	-	-	-	-
Net Proceeds of Debt Issuance	2,877,024	-	-	-	-	-
TOTAL REVENUES	4,475,240	1,682,835	1,659,883	1,598,000	1,578,000	1,558,000
TRANSFERS IN:						
Transfer from Capital Projects Special Fund	-	-	-	-	-	-
TOTAL REVENUES/TRANSFER	4,475,240	1,682,835	1,659,883	1,598,000	1,578,000	1,558,000
EXPENDITURES-OPERATIONAL:						
Personnel Services	224,826	232,438	244,713	259,626	254,812	266,956
Contractual Services	22,306	39,483	30,218	59,010	59,010	66,010
Supplies	4,609	5,542	2,906	7,650	7,650	7,950
Maintenance	-	-	-	500	500	500
Capital Outlay	-	3,188	-	-	-	-
TOTAL EXPENDITURES	251,741	280,651	277,837	326,786	321,972	341,416
EXPENDITURES-ECONOMIC INCENTIVES:						
Marketing	102,774	91,990	92,457	130,000	130,000	130,000
Colony Gymnastics(5yrs-25,000)	6,266	-	-	-	-	-
Contingencies	-	2,863	-	20,000	20,000	20,000
Economic Development Incentives	1,155,610	2,318,804	108,839	2,500,000	2,489,500	2,500,000
Sales Tax Rebate	46,875	90,000	100,000	128,031	256,062	250,000
Transfer Out - General Fund	-	-	-	150,000	27,962	17,000
Transfer Out - WalMart left turn lane (Memorial)	-	-	-	-	90,230	-
Transfer Out - AR - Escrow Payments	-	-	-	-	1,634,654	-
Transfer Out - Capital Projects Streets	-	-	27,417	-	-	-
Transfer Out - Gen Debt. Serv. Fund	128,666	179,398	179,079	179,307	179,307	294,863
Transfer Out - Tax Supported Debt	-	-	-	-	164,420	307,870
TOTAL EXPENDITURES	1,440,191	2,683,055	507,792	3,107,338	4,992,135	3,519,733
TOTAL EXPENDITURES	1,691,932	2,963,706	785,629	3,434,124	5,314,107	3,861,149
EXCESS (DEFICIENCY)	2,783,308	(1,280,871)	874,254	(1,836,124)	(3,736,107)	(2,303,149)
BEGINNING FUND BALANCE	3,933,520	6,716,828	5,435,957	6,310,211	6,310,211	2,574,104
ENDING FUND BALANCE	6,716,828	5,435,957	6,310,211	4,474,087	2,574,104	270,955
RESERVE FOR MARKETING	(40,009)	(40,009)	(148,646)	(211,854)	(211,854)	(211,854)
UNRESERVED FUND BALANCE	6,676,819	5,395,948	6,161,565	4,262,233	2,362,250	59,101

PROGRAM DESCRIPTION
<p>The Economic Development Corporation's (the "EDC") program is focused on creating quality commercial development activities that generate local employment and enhance the economic well being of The Colony. This is accomplished through a performance based incentive program and marketing efforts that target commercial developers, brokers and site selection consultants, as well as individual corporations.</p>

GOALS AND OBJECTIVES
<p>Goal: Provide staff support for the EDC board.</p> <p>Objective: Assemble the necessary documentation for the EDC board to make informed decisions.</p>
<p>Goal: Heighten awareness among commercial real estate brokers and developers of development opportunities in The Colony.</p> <p>Objective: Arrange meetings and negotiations with corporate prospects focused on recruiting retail, corporate office and light industrial into The Colony.</p>
<p>Goal: Market the City.</p> <p>Objective: Create marketing materials, participate in trade shows and Commercial developer/broker organizations, and establish relationships with representatives of firms considering relocation and expansion.</p>

PERSONNEL DETAIL	2007-2008 ACTUAL	2008-2009 PROJECTED	2009-2010 BUDGET
Economic Development Director	1	1	1
Economic Development Specialist	1	1	1
DEPARTMENT TOTAL	2	2	2

EXPENDITURE SUMMARY	2007-2008 ACTUAL	2008-2009 PROJECTED	2009-2010 BUDGET
Personnel Services	\$ 244,713	\$ 254,812	\$ 266,956
Contractual Services	122,675	189,010	196,010
Supplies	2,906	7,650	7,950
Maintenance	-	500	500
Sundry Charges	415,335	4,862,135	3,389,733
DEPARTMENT TOTAL	\$ 785,629	\$ 5,314,107	\$ 3,861,149

PERFORMANCE INDICATORS & MEASUREMENTS	2007-2008 ACTUAL	2008-2009 PROJECTED	2009-2010 BUDGET
Board member contacts	300	300	300
Board meetings attended - once a month by all board members.	20%	20%	20%
Board meetings	12	12	12
Minutes prepared for board meetings - within 14 days	100%	100%	100%
Minutes approved without amendments	100%	100%	100%
EDC and related meeting functions - attended by board members	75%	75%	75%
EDC related meetings - functions	25	25	25
Professional development meetings attended	67%	67%	67%
Response to website inquires - within 2 business days	100%	100%	100%
Professional development meetings	4	4	4

COST CENTER: Economic Development**FUND: 604 - Economic Development (TYPE A)**

ACCT. NO.	ACCOUNT DESCRIPTION	2007-2008 Actual	2008-2009 Projected	2009-2010 Budget
6110	Salaries	172,543	179,052	179,611
6111	Salaries, Overtime	2,394	2,000	2,000
6114	Hospitalization Insurance	11,778	9,901	13,395
6115	Social Security Taxes	13,162	13,520	14,817
6117	Retirement Contributions	23,038	23,901	25,650
6118	Uniforms	-	500	500
6120	Private Auto Allowance	3,628	3,588	3,588
6125	Education & Training	4,284	7,800	7,800
6126	Travel Expenses	10,142	10,200	13,400
6127	Dues & Memberships	3,745	4,350	6,195
6210	Professional Services	24,519	36,100	39,950
6211	Legal Services	2,287	10,000	10,000
6213	Contractual Services	1,678	1,950	2,850
6217	Temporary Services	-	500	500
6235	Printing Services	920	6,250	8,500
6236	Advertising & Notices	500	750	750
6237	Marketing	92,458	130,000	130,000
6244	Telephone Service	313	960	960
6275	Equipment Rental	-	2,500	2,500
6310	Office Supplies	184	1,000	1,000
6311	Copier Supplies	589	1,800	1,800
6312	Computer Supplies	82	600	600

COST CENTER: Economic Development

FUND: 604 - Economic Development (TYPE A)

ACCT. NO.	ACCOUNT DESCRIPTION	2007-2008 Actual	2008-2009 Projected	2009-2010 Budget
6320	Postage	703	1,250	1,550
6330	Books & Periodicals	169	1,000	1,000
6335	Awards	129	300	300
6340	Fuel & Lubricants	360	500	100
6390	Miscellaneous Supplies	689	1,200	1,600
6430	Office Equipment - Maintenance	-	500	500
6842	Sales Tax Rebate	100,000	256,062	250,000
6846	Economic Incentives	108,840	2,489,500	2,500,000
6847	Contingency	-	20,000	20,000
6803	Transfer Out - Tax Supported Debt	-	164,420	-
6822	Transfer Out - Utility Fund Special Projects	-	1,634,654	-
6881	Transfer Out - Capital Projects Streets	27,416	-	-
6882	Transfer Out - General Fund Special Projects	-	90,230	-
6897	Transfer Out - General Debt Service	179,079	179,307	602,733
6899	Transfer Out - General Fund	-	27,962	17,000
DEPARTMENT TOTAL		\$ 785,629	\$ 5,314,107	\$ 3,861,149