



ECONOMIC IMPROVEMENT CORPORATION AGENDA
MONDAY, AUGUST 19, 2024, 4:00 PM
Kerrville City Hall, Council Chambers
701 Main Street, Kerrville, Texas

1. **CALL TO ORDER:**
2. **INVOCATION:**
3. **VISITORS / CITIZENS FORUM:** *Any citizen with business not scheduled on the agenda may speak to the Economic Improvement 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 their presentation to three minutes.*
4. **APPROVAL OF MINUTES:**
 - 4.A Minutes from the regular Economic Improvement Corporation (EIC) meeting held on July 15, 2024. (*K Franchina, Deputy City Secretary*)
Attachment: [20240819_ EIC Minutes 7-15-2024.pdf](#)
5. **MONTHLY REPORTS:**
 - 5.A Kerr Economic Development Corporation (KEDC) update. (*G Salinas, K Milton-Jordan, KEDC*)
 - 5.B Kerrville Economic Improvement Corporation (EIC) project status update and the Capital Improvement Project (CIP) status report: including Peterson Medical Center Campus infrastructure Improvements, Downtown Area Streetscape, Downtown River Trail extension, Scott Schreiner Golf Course improvements, Olympic Pool renovations, Cailloux Theater improvements, and Travis Street Pump Station upsizing. (*M Hornes, Assistant City Manager/K Burow, Director of Engineering*)
Attachment: [20240815_EIC CIP Project Update.pdf](#)
 - 5.C Monthly Financial Report. (*T Rodriguez, Assistant Director of Finance*)
Attachment: [20240819_July_2024_financial_presentation.pdf](#)
6. **CONSIDERATION AND POSSIBLE ACTION:**
 - 6.A Revised Fiscal Year 2025 Proposed Budget for the Economic Improvement Corporation (EIC), initially presented on July 15, 2024. (*J Behrens, Director of Finance/T Rodriguez, Assistant Director of Finance*)
Attachment: [FY25 EIC Revised Proposed Budget 8-14-24.pdf](#)
 - 6.B GO Team review. (*M Hornes, Assistant City Manager*)
7. **EXECUTIVE SESSION:** *The Economic Improvement Corporation may, as permitted by law, adjourn into executive session at any time to discuss any matter listed above if items meet the qualifications of Chapter 551 of the Texas Government Code.*
8. **POSSIBLE ACTION FOR ITEMS DISCUSSED IN EXECUTIVE SESSION, IF ANY.**
9. **ITEMS FOR FUTURE AGENDAS:**
10. **ADJOURN.**



**TO BE CONSIDERED BY THE ECONOMIC IMPROVEMENT
CORPORATION
CITY OF KERRVILLE, TEXAS**

SUBJECT: Minutes from the regular Economic Improvement Corporation (EIC) meeting held on July 15, 2024. (*K Franchina, Deputy City Secretary*)

AGENDA DATE OF: August 19, 2024 **DATE SUBMITTED:** July 30, 2024

SUBMITTED BY: Kesha Franchina, Deputy City Secretary

EXHIBITS:

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
N/A	N/A	N/A	N/A

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item? No

Key Priority Area N/A

Guiding Principle N/A

Action Item N/A

SUMMARY STATEMENT:

Approve minutes from the regular EIC meeting held on July 15, 2024.

RECOMMENDED ACTION:

Approve minutes as presented.

ATTACHMENTS:

[20240819_ EIC Minutes 7-15-2024.pdf](#)

**CITY OF KERRVILLE, TEXAS ECONOMIC IMPROVEMENT CORPORATION
REGULAR MEETING – July 15, 2024**

On Monday, July 15, 2024, at 4:02 p.m., the regular meeting of the City of Kerrville, Texas Economic Improvement Corporation (EIC) was called to order by President Kim Clarkson, in the Council Chambers at City Hall, 701 Main Street, Kerrville, Texas.

MEMBERS PRESENT:

Kim Clarkson – President
Gregg Appel - KEDC
Kyle Bond - “GO Team”
Beck Gipson
Celeste Hamman – Vice-President
Gilberto Paiz

MEMBERS ABSENT:

Jeff Harris, Councilmember

CHIEF EXECUTIVE STAFF:

Mike Hayes, City Attorney
Michael Hornes, Assistant City Manager
Kim Meisner, Assistant City Manager
Kesha Franchina, Deputy City Secretary
Julie Behrens, Director of Finance
Ashlea Boyle, Director of Parks and Recreation
Janelle Chapman, Procurement Coordinator
Trina Rodriguez, Assistant Director of Finance

VISITORS PRESENT:

- Delayne Sigerman, Councilmember

1 **CALL TO ORDER:** President Clarkson called the meeting to order at 4:02 p.m.

2 **INVOCATION:** Gilberto Paiz led the invocation.

3 **VISITORS / CITIZENS FORUM:** No citizen speakers.

4 **APPROVAL OF MINUTES:**

4.A Minutes from the regular Economic Improvement Corporation (EIC) meeting held on June 17, 2024.

Beck Gipson motioned to approve the minutes as presented, and Gregg Appel seconded. The motion passed 6-0.

5 **MONTHLY REPORTS:**

5.A Kerr Economic Development Corporation (KEDC) update.

Gil Salinas and Katie Milton Jordan presented the KEDC update. There were no questions.

- 5.B Kerrville Economic Improvement Corporation (EIC) project status update and the Capital Improvement Project (CIP) status report: including Peterson Medical Center Campus infrastructure Improvements, Downtown Area Streetscape, Downtown River Trail extension, Scott Schreiner Golf Course improvements, Olympic Pool renovations, Cailloux Theater improvements, and Travis Street Pump Station upsizing.

Michael Hornes presented the EIC project status update. There were no questions.

- 5.C Monthly Financial Report.

Trina Rodriguez presented the Monthly Financial Report, and responded to questions.

6 PUBLIC HEARING AND POSSIBLE ACTION:

- 6.A Public Funding Agreement between the City of Kerrville, Texas, Economic Improvement Corporation, and the City of Kerrville, Texas, for improvements to various parks, in an amount not to exceed \$800,000. (A Boyle, Director of Parks and Recreation)

Ashlea Boyle presented the funding application. She, and Michael Hornes, responded to questions.

President Clarkson opened the Public Hearing at 4:26 p.m. There were no speakers.

President Clarkson closed the Public Hearing at 4:26 p.m.

Vice-President Celeste Hamman motioned to approve the funding agreement and call a public hearing, and Gregg Appel seconded. The motion passed 6-0.

- 6.B Public Funding Agreement between the City of Kerrville, Texas, Economic Improvement Corporation, and the City of Kerrville, Texas, for Granger MacDonald Park improvements in an amount not to exceed \$2,200,000.

Ashlea Boyle introduced the funding application, and responded to questions.

President Clarkson opened the Public Hearing at 4:27 p.m.

Speakers were as follows:

- Shannon Deville
- Erin Burrows
- Darby Campbell
- John Anderson
- Layng Guerriero
- Barry Rollman

President Clarkson closed the Public hearing at 4:42 p.m.

Gregg Appel motioned to approve the funding agreement and call a public hearing, and Kyle Bond seconded. The motion passed 6-0.

7 CONSIDERATION AND POSSIBLE ACTION:

7.A Funding agreement between the City of Kerrville and the City of Kerrville, Texas Economic Improvement Corporation for Heart of the Hills Heritage Center, in an amount not to exceed \$2,000,000.

Michael Hornes presented the funding agreement, and responded to questions.

Speakers were as follows:

- Angela Kennedy, HHHC

Vice-President Hamman motioned to approve the funding agreement, and Gil Paiz seconded. The motion passed 6-0.

7.B Presentation of the FY2025 Proposed Budget for the Kerr Economic Development Corporation (KEDC).

Gil Salinas presented the FY2025 Proposed Budget, and responded to questions.

Gil Paiz motioned to approve the FY2025 Proposed Budget, and Beck Gipson seconded. The motion passed 6-0.

7.C Fiscal Year 2025 Proposed Budget for the Economic Improvement Corporation (EIC).

Julie Behrens presented the FY2025 Proposed Budget. She, Trina Rodriguez, Mike Hayes, and Michael Hornes responded to questions.

Vice-President Hamman motioned to approve the FY2025 Proposed Budget, with amendments to include the three previous approved projects above, and Kyle Bond seconded. The motion passed 6-0.

President Clarkson noted there was no need to go into Executive Session.

8. EXECUTIVE SESSION:

8.A Economic Development projects: (551.071, 551.087)

- Economic Development Grant Funding Application from the City of Kerrville, Texas, to the Economic Improvement Corporation for Parks improvements for an amount not to exceed \$800,000.
- Economic Development Grant Funding Application from the City of Kerrville, Texas, to the Economic Improvement Corporation for Granger McDonald Park in an amount not to exceed \$2,200,000.

9 POSSIBLE ACTION FOR ITEMS DISCUSSED IN EXECUTIVE SESSION.

None.

10 ITEMS FOR FUTURE AGENDAS:

- Go Team

ADJOURN. President Clarkson adjourned the meeting at 5:35 p.m.

EIC Minutes 7/15/2024:

MINUTES APPROVED _____.

Kim Clarkson, EIC President

Attest: Kesha Franchina, Deputy City Secretary



**TO BE CONSIDERED BY THE ECONOMIC IMPROVEMENT
CORPORATION
CITY OF KERRVILLE, TEXAS**

SUBJECT: Kerr Economic Development Corporation (KEDC) update. (*G Salinas, K Milton-Jordan, KEDC*)

AGENDA DATE OF: August 19, 2024 **DATE SUBMITTED:** August 8, 2024

SUBMITTED BY: Kesha Franchina, Deputy City Secretary

EXHIBITS:

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
N/A	N/A	N/A	N/A

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	Yes
Key Priority Area	N/A
Guiding Principle	N/A
Action Item	N/A

SUMMARY STATEMENT:

RECOMMENDED ACTION:

Information only; no action required.



**TO BE CONSIDERED BY THE ECONOMIC IMPROVEMENT
CORPORATION
CITY OF KERRVILLE, TEXAS**

SUBJECT: Kerrville Economic Improvement Corporation (EIC) project status update and the Capital Improvement Project (CIP) status report: including Peterson Medical Center Campus infrastructure Improvements, Downtown Area Streetscape, Downtown River Trail extension, Scott Schreiner Golf Course improvements, Olympic Pool renovations, Cailloux Theater improvements, and Travis Street Pump Station upsizing. (*M Hornes, Assistant City Manager/K Burow, Director of Engineering*)

AGENDA DATE OF: August 19, 2024 **DATE SUBMITTED:** August 15, 2024

SUBMITTED BY: Kesha Franchina, Deputy City Secretary

EXHIBITS:

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
N/A	N/A	N/A	N/A

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	Yes
Key Priority Area	N/A
Guiding Principle	N/A
Action Item	N/A

SUMMARY STATEMENT:

RECOMMENDED ACTION:

Information only; no action.

ATTACHMENTS:

[20240815_EIC CIP Project Update.pdf](#)

Monthly CIP Project Status Report

			Design		Construction				
		Description	Firm	Contract Amount	Estimated Completion	Contractor	Contract Amount	Estimated Completion	Comments
1	A.C. Schreiner House/Heart of the Hills Heritage Center	Repurposing of house and grounds located at 529 Water Street on BHML Campus	Fischer Heck Architects	N/A	Sep-2024	Marksmen	\$401,000.00	Dec-2025	First amendment approved by City Council January, 2024 for completion of design. Design completion anticipated in September.
2	Public Safety Facility	Multi-department Public Safety Facility proposed on Clearwater Paseo	Beaty-Palmer Architects	N/A	Complete	Byrne Construction	\$39,565,359.00	May-2025	Design complete. City Council approved 3rd amendment to contract for entire facility and site work. Construction commenced January, 2024 with substantial completion anticipated May 2025.
3	2024 Street Maintenance	Execution of annual street maintenance program	6S Engineering	\$98,750.00	Jul-2024	TBD	TBD	Sep-2024	Design in progress with construction completion anticipated September, 2024. Council award anticipated August, 2024.
4	Al Mooney Road reconstruction	Reconstruction of Al Mooney Road	6S Engineering	\$216,462.00	Fall 2024	TBD	TBD	TBD	Interlocal agreement with Kerr County executed November, 2023. Design in progress.
5	Facility Condition Assessment	Request for proposal to perform facilities conditions assessment of various City-owned facilities and prepare a ten (10) year maintenance plan.	Matrix	\$115,000.00	Aug-2024	N/A	N/A	Sep-2024	Kickoff held November, 2023. Site assessments completed December, 2023 with draft report in review. Unconstrained assessment received May, 2024. Final report due August, 2024.
6	KUTS - Clay Street South	Kerrville Urban Trail System (KUTS) pilot trail project to improve walkability and sense of place along Clay Street from Schreiner Street to Water Street	OLA	Partnership	Concept Complete	N/A	N/A	N/A	The City has partnered with KUTS to coordinate the place making efforts along the Clay St. South corridor. Preliminary concepts have been developed. Presentation to Council made in workshop on July 23, 2019. Decorative lighting installed on Clay Street near Jefferson Street.
7	Knapp Force Main & Gravity Main	Installation of force main and gravity main between Knapp and Jefferson lift stations	Freese & Nichols	\$518,317.00	Complete	M&C Fonseca Construction	\$4,895,585.00	Nov-2024	Construction in progress with completion anticipated in November 2024.
8	Lois Tank Site Improvements	Replace aging water tank built in 1962 and pump system	Walker Partners LLC	\$231,186.00	Jul-2024	TBD	TBD	TBD	Design contract awarded June 2022 with design in progress. Remaining THM project funds approved by TWDB to be used for construction. Construction commencement anticipated Fall 2024, pending approvals from TWDB.
9	WWTP FEB Lift Station	Replace CoK's Waste Water Treatment Plant (WWTP) Flow equalization Basin (FEB) lift station	Hewitt Engineering	\$78,500.00	Complete	Mike Larsen Company	\$643,160.00	Substantially Complete	Construction is substantially complete with contractor addressing punch list items.
10	Lift Station Rehabs	Rehabilitation of the Broadway and Airport lift stations as well as pump, electrical and SCADA component replacement at the Airport lift station.	Utility Engineering Group	\$96,245.00	Summer 2024	TBD	TBD	TBD	Design agreement with Utility Engineering Group executed October, 2023. Design in progress with exploration of site analysis and alternative designs.
11	WWTP Clarifier #3 Rehabilitation	Rehabilitation of Water Reclamation Plant clarifier #3, including replacement of existing clarifier mechanism, structural modifications and electrical improvements to accommodate proposed equipment.	Freese & Nichols	\$165,000.00	Complete	RGV	\$991,800.00	Summer 2025	Design complete. City Council awarded construction contract in May with construction completion anticipated for Summer 2025.
12	First Street manhole replacement	Replace approximately 14 existing fiberglass manholes on 1st Street between Gilmer street and the existing Quinlan lift station.	Freeland/Turk	\$45,000.00	Complete	RAM Utilities LLC	\$248,524.10	TBD	Design complete. Construction contract awarded by City Council at August 13, 2024 regular meeting. Construction anticipated for completion in early 2025.
13	Scott Schreiner Golf Course improvements	Improvements to the existing golf course	Hewitt Engineering/Troon Golf LLC	\$52,500.00	Sep-2024	TBD	TBD	TBD	EIC and City Council approvals for funding complete. Design in progress. Course renovations to begin in January of 2025, with construction completion anticipated for Summer 2025
14	Olympic Pool renovations	Renovations to the Olympic pool	Marmon-Mok	\$683,036.00	Feb-2025	TBD	TBD	TBD	EIC and City Council approvals for funding complete. Design contract with Marmon Mok executed. Design anticipated to complete February 2025 with construction completion anticipated Spring 2026.
15	Downtown River Trail extension	River Trail extension from Tranquility Island to Downtown Pavilion	Hewitt Engineering	\$154,500.00	Complete	TBD	TBD	TBD	Design complete; easement acquisition nearly complete pending owners review and approval.
16	TxDOT Transportation Alternatives 2021 Call for Projects	Federal funding assistance for pedestrian enhancements for sidewalks improvements	KSA Engineers	\$259,599.00	Aug-2024	TBD	TBD	TBD	TX DOT Commission awarded project for sidewalk improvements along Hill Country Drive, Cully Drive, and Wesley Drive. Design with TxDOT for review and approval. Construction commencement anticipated Fall 2024.
17	TxDOT Traffic Signal Improvements and Synchronization	Traffic signal synchronization to occur on SH 16 and SH 27 and replacement of some signaled intersections	N/A	N/A	N/A	N/A	N/A	N/A	TX DOT continuing traffic signal improvements to update systems for synchronization. City staff requested their future planned schedule of improvements. Software and hardware improvements continuing. SH27 @ VA signal improvements complete.
18	Cailloux Theater Improvements	Repair of HVAC and roof systems	Peter Lewis & Associates	\$128,060.00	Jul-2024	TBD	TBD	TBD	EIC and City Council approvals for funding complete. Design continuing with construction to begin in March of 2025. Theater to close during construction.
19	Downtown Community Development Block Grant Program	Funding assistance to improve pedestrian safety and signalization in the Main Street District	Kimley-Horn	\$78,810.00	Complete	Elecnor	\$308,313.40	Jul-2024	Grant funding approved for downtown infrastructure improvements at the intersection of Earl Garrett & Water Street. TIRZ board approval of grant match at their September 2022 meeting. Construction completion anticipated in Summer, 2024.

Monthly CIP Project Status Report

		Description	Design		Construction			Comments
			Firm	Contract Amount	Estimated Completion	Contractor	Contract Amount	
20	Galbraith and Quinlan Street water line replacement	Replacement of 12" cast iron water line on Galbraith Street from Florence to Culberson Streets; 10" cast iron water line on Quinlan Street from Stadium Tanks to Main.	Schaumburg & Polk	\$328,655.00	Fall 2024	TBD	TBD	Utilization of revenue bonds to replace of the portion of 12" cast iron water line on Galbraith Street from Florence to Culberson Streets and portions of the 10" cast iron water line on Quinlan Street from Stadium Tanks to Main.
21	Hazard Mitigation Grant Program	Federal funding assistance for backup electrical generator installation at critical infrastructure sites	TBD	TBD	TBD	TBD	TBD	Preliminary award off 2021 application received for backup generators and electrical work to maintain continuous power supply to critical infrastructure during power outages. Official approval of funding for 26 sites anticipated in 2024. Application submitted Summer 2022 for two additional site generators.

Monthly EIC Project Status Report

	Project Name	Description	Estimated Design Completion	Estimated Construction Completion	Comments
1	Peterson Medical Center Campus Infrastructure Improvements	Campus improvements including extension of public utilities and roadway	Private	2024	Partnership Agreement approved January 2022. Construction in progress for Surgery Center. Construction is substantially complete. First payment to Peterson had been paid for \$800,000 and request made for remaining funds. Certificate of occupancy issued for 1st floor of surgery center.
2	Downtown Area Streetscape	Relocate overhead utility lines to underground; improved beautification of the garage with limestone influences, LED light upgrades and wrought iron railing.	N/A	Summer 2024	KPUB portion is complete for underground utility work. Stop signs installed, masonry and wrought iron railing installed. Landscaping contract is signed with anticipated completion July, 2024.
3	Downtown River Trail extension	River Trail extension from G Street to Tranquility Island	Complete	2025	Design complete; easement acquisition nearly complete pending owners review and approval.
4	Scott Schreiner Golf Course improvements	Improvements to the existing golf course	TBD	Summer 2025	EIC and City Council approvals for funding complete. Design in progress. Course renovations to begin in January of 2025, with construction completion anticipated for Summer 2025
5	Olympic Pool renovations	Renovations to the Olympic pool	Feb-2025	Spring 2026	EIC and City Council approvals for funding complete. Design contract with Marmon Mok executed. Design anticipated to complete February 2025 with construction completion anticipated Spring 2026.
6	Cailloux Theater Improvements	Repair of HVAC and roof systems	Complete	Fall 2025	EIC and City Council approvals for funding complete. Design continuing with construction to begin in March of 2025. Theater to close during construction.
7	Travis Street Pump Station Upsizing	Increase distribution capacity of the Travis St pump station to meet TCEQ requirements for future developments.	Sep-2024	TBD	Project approved by City Council March 26, 2024. Project is in the design phase with bid commencement anticipated for September, 2024. Variance exception letter sent to TCEQ June 26, 2024.



**TO BE CONSIDERED BY THE ECONOMIC IMPROVEMENT
CORPORATION
CITY OF KERRVILLE, TEXAS**

SUBJECT: Monthly Financial Report. *(T Rodriguez, Assistant Director of Finance)*

AGENDA DATE OF: August 19, 2024

DATE SUBMITTED: August 14, 2024

SUBMITTED BY: Trina Rodriguez, Accounting Manager

EXHIBITS:

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
N/A	N/A	N/A	N/A

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	No
Key Priority Area	N/A
Guiding Principle	N/A
Action Item	N/A

SUMMARY STATEMENT:

RECOMMENDED ACTION:

Information only; no action.

ATTACHMENTS:

[20240819_July_2024_financial_presentation.pdf](#)

Financial update for the month ended July 31, 2024

**Economic Improvement Corporation Meeting
August 19, 2024**



Economic Improvement Corporation
Statement of Activities
Month Ended July 31, 2024

	Annual Budget	Current Period	YTD Actual	YTD Budget Estimate	Better/Worse YTD Estimate
Revenues					
Sales and Use Tax	\$ 5,262,270	\$ 408,726	\$ 4,148,183	\$ 4,276,311	\$ (128,128)
Interest Income	161,000	143,671	1,068,849	133,486	935,363
Bond Proceeds*	20,000,000	-	20,000,000	20,000,000	-
Investment Maturity	2,500,000	-	2,471,480	2,471,480	-
Total Revenues	27,923,270	552,397	27,688,511	26,881,277	807,235
Expenditures					
Administrative					
Supplies and Miscellaneous	650	-	50	50	-
Training	10,000	-	-	-	-
Legal Services	10,000	-	2,050	2,050	-
Professional Services	205,000	17,083	174,333	170,833	3,500
Kerr Economic Development Corp.	343,750	85,938	343,750	343,750	-
Total Administrative	569,400	103,021	520,183	516,683	3,500
Debt Service					
Debt Service - Series 2015 (KSC)	605,700	50,475	504,750	504,750	-
Debt Service - Series 2019 Ref (River Trail)	251,506	20,959	209,589	209,589	-
Debt Service - Series 2020 Ref (River Trail)	233,500	19,458	194,583	194,583	-
Debt Service - Series 2023 (Quality of Life)*	1,470,486	183,811	1,470,486	1,470,486	-
Total Debt Service	2,561,192	274,703	2,379,408	2,379,408	-
Investment Purchase	2,500,000	2,927,489	4,878,184	4,878,184	-
Projects					
Airport Projects	9,535	-	-	-	-
Sid Peterson Memorial Hospital	800,000	-	800,000	800,000	-
Downtown Utilities/Streetscape	400,000	21,978	308,043	308,043	-
Downtown River Trail	500,000	(616,563)	(241,563)	500,000	(741,563)
Travis Street Pump Station Upgrades	100,000	-	-	-	-
Scott Schreiner Golf Course Improvements*	396,739	78,320	250,060	250,060	-
Olympic Pool Improvements*	150,000	-	-	-	-
Cailloux Theater Roof & HVAC*	100,000	24,040	24,040	24,040	-
Schreiner University Talent & Workforce Dvlpmnt*	-	-	-	-	-
Schreiner University Athletic Facilities*	-	-	-	-	-
Habitat for Humanity Mariposa Infrastructure*	300,000	106,693	106,693	106,693	-
Granger McDonald Park*	-	-	-	-	-
Existing Parks Improvements*	-	-	-	-	-
Heart of the Hills Heritage Center*	-	-	-	-	-
Total Projects	2,756,274	(385,532)	1,247,274	1,988,836	(741,563)
Total Expenditures	8,386,866	2,919,680	9,025,048	9,763,111	(738,063)
Change in Net Position	\$ 19,536,404	\$ (2,367,284)	\$ 18,663,463		

Economic Improvement Corporation
Cash Flow Forecast
As of July 31, 2024

	FY2024 Actual	FY2024 Projections	FY2025 Projections			
	Oct 2023 to Jul 2024	Aug 2024 to Sep 2024	Oct 2024 to Dec 2024	Jan 2025 to Mar 2025	Apr 2025 to Jun 2025	Jul 2025 to Sep 2025
Beginning Cash Balance	\$ 5,356,048	\$ 24,003,841	\$ 24,185,819	\$ 22,195,896	\$ 17,382,419	\$ 12,873,951
Revenue						
Sales Tax	4,148,183	900,995	1,221,083	1,306,882	1,236,891	1,339,546
Interest Income	1,068,849	270,000	225,364	225,364	225,364	225,364
Bond Proceeds	20,000,000	-	-	-	-	-
Investment Maturity	2,471,480	-	2,000,000	1,000,000	-	-
Total Revenue	27,688,511	1,170,995	3,446,446	2,532,245	1,462,254	1,564,910
Expenditures						
Administrative						
Supplies and Miscellaneous	50	163	163	163	163	163
Legal Services	2,050	2,500	2,500	2,500	2,500	2,500
Training	-	2,500	2,500	2,500	2,500	2,500
Professional Services	174,333	34,167	52,500	52,500	52,500	52,500
Kerr Economic Development Corp.	343,750	-	85,938	85,938	85,938	85,938
Total Administrative	520,183	39,329	143,600	143,600	143,600	143,600
Debt Service	2,379,408	181,784	639,863	639,863	639,863	639,863
Investment Purchase	4,878,184	-	2,000,000	1,000,000	-	-
Projects						
Airport Box Hangar	-	-	-	-	-	-
Sid Peterson Memorial Hospital	800,000	-	-	-	-	-
Downtown Utilities/Streetscape	308,043	91,957	-	-	-	-
Downtown River Trail	(241,563)	-	-	-	-	-
Travis Street Pump Station Upgrades	-	100,000	-	-	-	125,000
Scott Schreiner Golf Course Improvements	250,060	146,679	450,408	1,576,426	1,576,426	-
Olympic Pool Improvements	-	150,000	375,000	1,625,000	1,250,000	1,250,000
Cailloux Theater Roof & HVAC	24,040	75,960	-	1,333,333	1,333,333	1,233,333
Schreiner University Talent & Workforce Dvlpmnt	-	-	102,804	102,804	102,804	102,804
Schreiner University Athletic Facilities	-	-	272,197	272,197	272,197	272,197
Habitat for Humanity Mariposa Subdivision	106,693	193,307	200,000	200,000	200,000	200,000
Granger McDonald Park	-	-	187,500	187,500	187,500	187,500
Existing Parks Improvements	-	-	800,000	-	-	-
Heart of the Hills Heritage Center	-	-	250,000	250,000	250,000	250,000
Total Projects	1,247,274	757,903	2,637,908	5,547,260	5,172,260	3,620,833
Total Expenditures	9,025,048	979,016	5,421,370	7,330,722	5,955,722	4,404,296
Interest Receivable	15,670	10,000	15,000	15,000	15,000	15,000
Ending Cash Balance	\$ 24,003,841	\$ 24,185,819	\$ 22,195,896	\$ 17,382,419	\$ 12,873,951	\$ 10,019,565

Financial Analysis

Cash Analysis as of July 31, 2024					
Type	Purchase	Maturity	Yield	Placement	Amount
Pool			5.46%	EIC TexPool - Cash	\$ 3,589,522
Pool			5.46%	EIC TexPool - 2023 Revenue Bonds	\$ 20,414,319
ST Investment	4/18/2024	10/15/2025	5.06%	US Treasury Note - 91282CFP1	\$ 995,156
ST Investment	4/19/2024	1/6/2025	5.46%	MUFG Bank CP - 62479LN68	\$ 977,101
ST Investment	7/25/2024	7/25/2025	4.88%	FHLB Note - 3130B23U7	\$ 1,000,834
ST Investment	7/25/2024	4/11/2025	5.21%	BNP Paribas CP - 09659BRB8	\$ 1,930,847
				Total Cash and Investments	\$ 28,907,778

Sales Tax Revenue Analysis - FY2024					
Month	Actual FY2023	Budget FY2024	Actual FY2024	FY2023 vs. FY2024	Budget vs. Actual
October	\$ 442,046	\$ 408,272	\$ 465,726	5.36%	14.07%
November	411,128	\$ 442,400	375,745	-8.61%	-15.07%
December	376,754	\$ 377,387	389,096	3.28%	3.10%
January	436,330	\$ 435,459	398,538	-8.66%	-8.48%
February	491,396	\$ 512,640	485,443	-1.21%	-5.31%
March	384,056	\$ 392,042	370,297	-3.58%	-5.55%
April	364,763	\$ 343,416	395,960	8.55%	15.30%
May	459,697	\$ 493,415	435,436	-5.28%	-11.75%
June	380,598	\$ 424,190	423,216	11.20%	-0.23%
July	446,694	\$ 447,089	408,726	-8.50%	-8.58%
August	449,932	\$ 489,390	404,426	-10.11%	-17.36%
September	405,769	\$ 438,298	438,298	0.00%	0.00%
YE Adjustment*	(5,942)	\$ 58,271	58,271	0.00%	0.00%
YTD Total	\$ 5,043,221	\$ 5,262,270	\$ 5,049,177	-1.35%	-3.06%

Project Analysis as of July 31, 2024			
Project Description	EIC Commitment	Disbursed Funding	Remaining Funding
Committed Projects:			
Airport Box Hangar	132,767	123,232	9,535
Sid Peterson Memorial Hospital	1,600,000	1,600,000	-
Downtown Utilities/Streetscape	400,000	308,043	91,957
Downtown River Trail	1,070,280	183,437	886,843
Travis Street Pump Station Upgrades	750,000	-	750,000
Scott Schreiner Golf Course Improvements	4,000,000	250,060	3,749,940
Olympic Pool Improvements	7,000,000	-	7,000,000
Cailloux Theater Roof & HVAC	4,000,000	24,040	3,975,960
Schreiner University Talent & Workforce Dvlpmnt	822,430	-	822,430
Schreiner University Athletic Facilities	2,177,570	-	2,177,570
Habitat for Humanity Mariposa Infrastructure	2,260,000	106,693	2,153,307
Granger McDonald Park	2,200,000	-	2,200,000
Existing Parks Improvements	800,000	-	800,000
Heart of the Hills Heritage Center	2,000,000	-	2,000,000
Committed Project Total	\$ 29,213,047	\$ 2,595,506	\$ 26,617,541

Questions?





**TO BE CONSIDERED BY THE ECONOMIC IMPROVEMENT
CORPORATION
CITY OF KERRVILLE, TEXAS**

SUBJECT: Revised Fiscal Year 2025 Proposed Budget for the Economic Improvement Corporation (EIC), initially presented on July 15, 2024. (*J Behrens, Director of Finance/T Rodriguez, Assistant Director of Finance*)

AGENDA DATE OF: August 19, 2024 **DATE SUBMITTED:** August 8, 2024

SUBMITTED BY: Julie Behrens , Director of Finance

EXHIBITS:

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
N/A	N/A	N/A	N/A

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	No
Key Priority Area	N/A
Guiding Principle	N/A
Action Item	N/A

SUMMARY STATEMENT:

The proposed budget for fiscal year 2025 was initially presented on July 15, 2024, and approved by the Economic Improvement Committee (EIC) with the condition that staff would add estimated project costs to EIC-approved projects once the City Council approved the funding agreements for those projects. Since then, staff has adjusted the sales tax projections due to ongoing downward trends, resulting in a 3% reduction in the sales tax revenue budget for fiscal year 2025. Consequently, EIC is being asked to review the updated proposed budget before it is considered by the City Council.

RECOMMENDED ACTION:

Approve revised proposed budget as presented.

ATTACHMENTS:

[*FY25 EIC Revised Proposed Budget 8-14-24.pdf*](#)

ECONOMIC IMPROVEMENT CORPORATION

FY2025 REVISED PROPOSED BUDGET

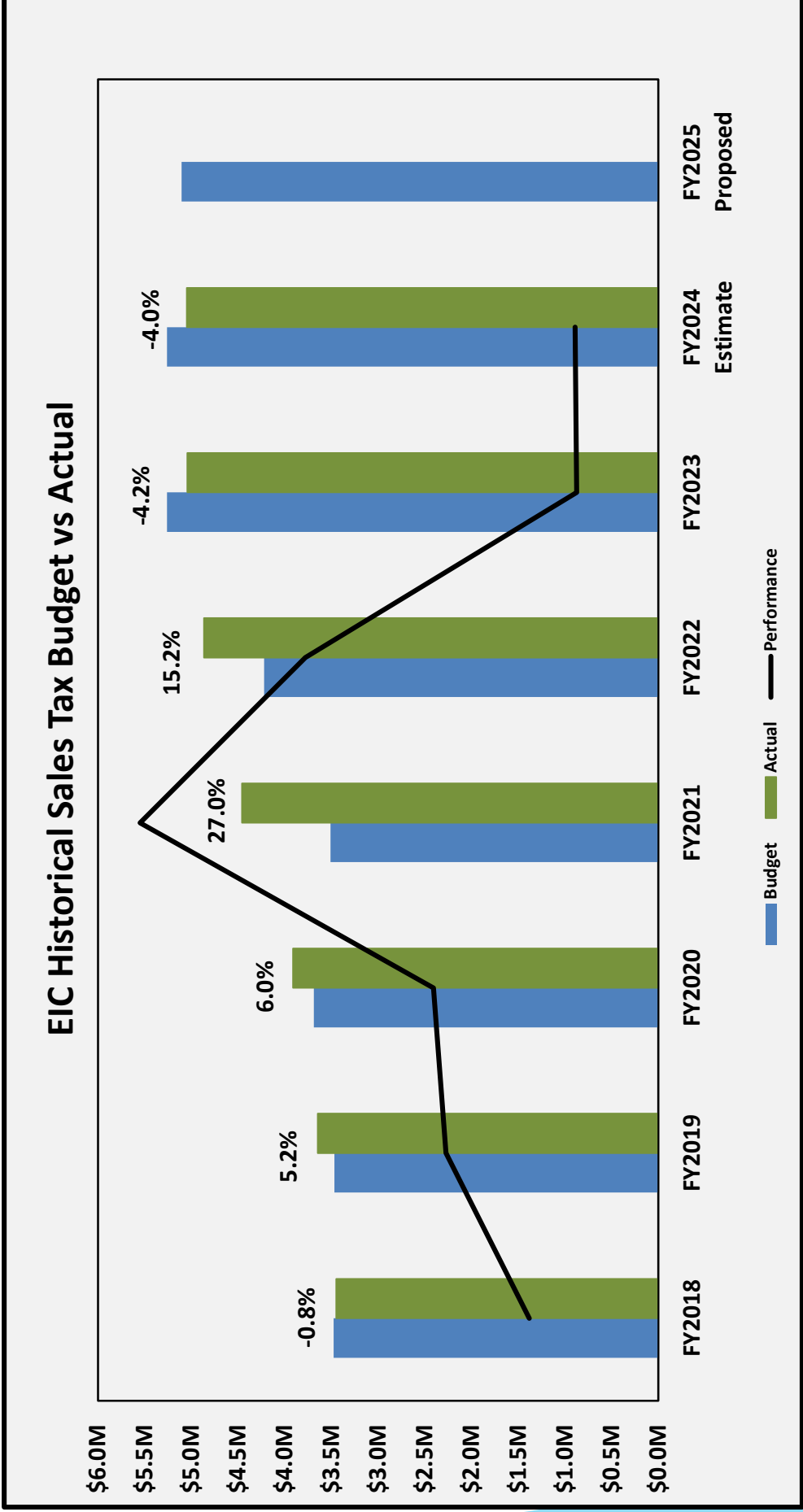
FY2025 Proposed Budget Revenues

	FY2024 Budget	FY2024 Estimate	FY2025 Budget
Revenues			
Sales and Use Tax	5,262,270	5,049,177	5,104,402
Interest Income	161,000	1,300,178	901,454
Bond Proceeds	-	20,264,360	-
Total Revenues	\$ 5,423,270	\$ 26,613,715	\$ 6,005,856

- FY2025 Sales Tax Revenue - Revised to 3% less than FY2024 budget
 - Adjusted down FY2024 estimate based on current trends
- Interest Revenue - projected 4% earnings on average daily cash balance + ST investment income
- FY2024 estimated \$21M surplus due to revenue bond proceeds
 - Will cover quality of life expenditures in FY2025 accordingly

Sales Tax

- Sales Tax expected to miss budget for FY2024 by \$213K (budgeted flat with FY2023)
- 12 Month Rolling Average is down to 1.5% compared to double digits in FY2022
- Inflation impacting expendable income (salaries cannot keep up with inflation)
- FY2025 budget originally projected to be flat with FY2023 & FY2024
- FY2025 Budget actually proposed at 3% less than FY2024 budget, given that July & August sales tax did not show any improvement in trend



FY2025 Proposed Budget Expenditures

	FY2024 Budget	FY2024 Estimate	FY2025 Budget
Expenditures			
Administrative			
Supplies and Miscellaneous	650	50	650
Legal Services	10,000	4,550	10,000
Training	10,000	-	10,000
Professional Services	205,000	205,000	213,200
Kerr Economic Development Corp.	343,750	343,750	343,750
Total Administrative	569,400	553,350	577,600
Debt Service			
Debt Service - Series 2015 (KSC)	605,700	605,700	603,100
Debt Service - Series 2019 Ref (River Trail)	251,506	251,506	257,100
Debt Service - Series 2020 Ref (River Trail)	233,500	233,500	230,500
Debt Service - Series 2023 (Quality of Life)	-	1,470,486	1,468,750
Total Debt Service	1,090,706	2,561,192	2,559,450
Project Contributions			
Airport Projects	9,535	-	-
Sid Peterson Memorial Hospital	800,000	800,000	-
Downtown Utilities/Streetscape	400,000	380,000	-
Downtown River Trail	500,000	183,487	-
Travis Street Pump Station Upgrades	750,000	100,000	500,000
Scott Schreiner Golf Course Improvements	-	396,739	3,603,261
Olympic Pool Improvements	-	150,000	4,500,000
Cailloux Theater Roof & HVAC	-	100,000	3,900,000
Schreiner University Talent & Workforce Dvlpmt	-	-	411,214
Schreiner University Athletic Facilities	-	-	1,088,786
Habitat for Humanity Mariposa Infrastructure	-	300,000	800,000
Granger McDonald Park	-	-	750,000
Existing Parks Improvements	-	-	800,000
Heart of the Hills Heritage Center	-	-	1,000,000
Total Projects	2,459,535	2,410,226	17,353,261
Total Expenditures	\$ 4,119,641	\$ 5,524,768	\$ 20,490,311

- COK - 4% increase over FY2024
- KEDC - flat with FY2024

- Debt Service payments per debt schedule

- Budgeted for committed projects as of July 2024
 - Worked with Engineering staff to determine design/bid/construction timelines
 - Updated from July 15th presentation after City Council approval of funding agreements
 - Granger McDonald Park
 - Existing Parks Improvements
 - Heart of the Hills Heritage Center

Net Revenue (Expenditures)

\$ 1,303,629 \$ 21,088,947 \$ (14,484,455)



Questions?



**TO BE CONSIDERED BY THE ECONOMIC IMPROVEMENT
CORPORATION
CITY OF KERRVILLE, TEXAS**

SUBJECT: GO Team review. (*M Hornes, Assistant City Manager*)

AGENDA DATE OF: August 19, 2024 **DATE SUBMITTED:** August 9, 2024

SUBMITTED BY: Michael Hornes, Assistant City Manager

EXHIBITS:

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
N/A	N/A	N/A	N/A

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	No
Key Priority Area	N/A
Guiding Principle	N/A
Action Item	N/A

SUMMARY STATEMENT:

RECOMMENDED ACTION:

Provide staff direction for any changes to the process.