

TOMBALL ECONOMIC DEVELOPMENT CORPORATION MEMORANDUM

TO: TEDC Board of Directors

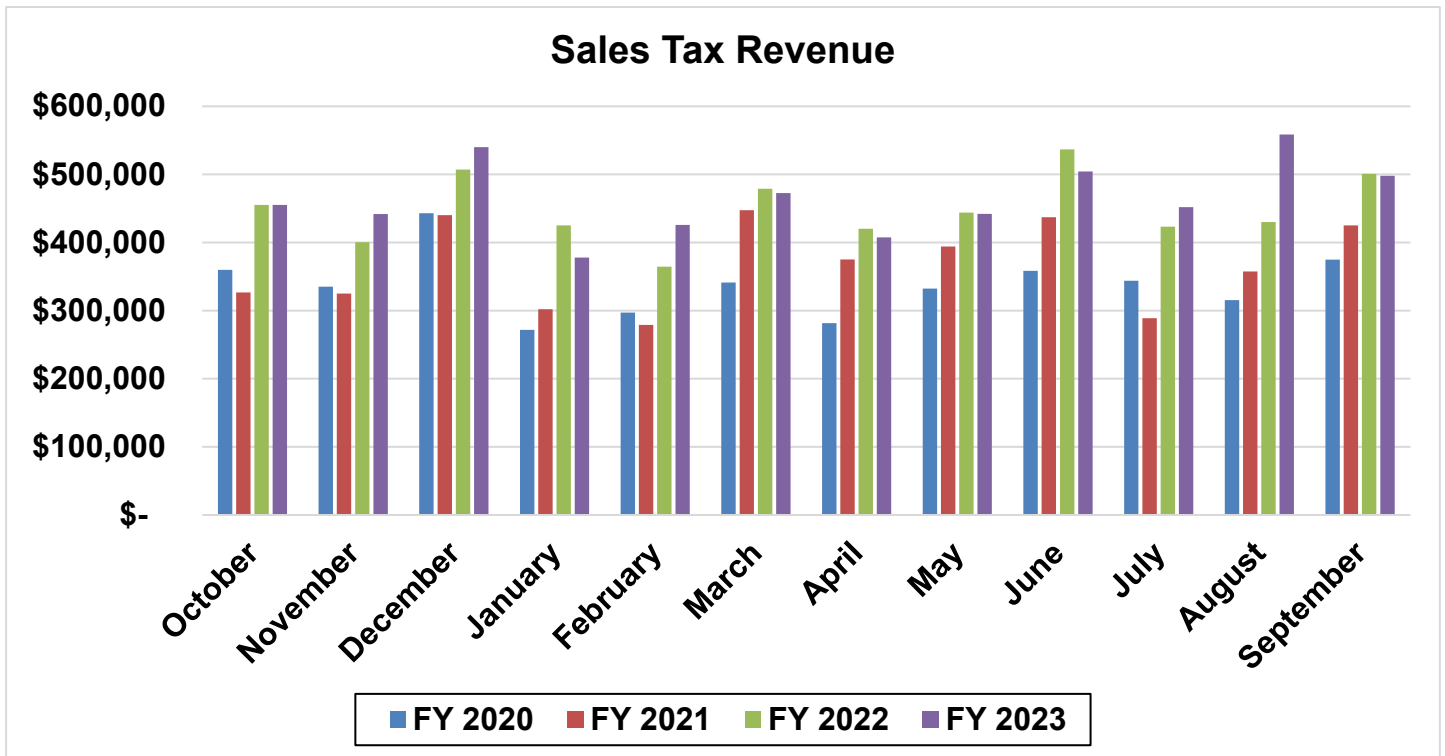
FROM: Katherine Tapscott, Finance Director

SUBJECT: Preliminary Financial Information for Year Ending September 30, 2023

DATE: November 14, 2023

Attached is the preliminary financial information for the fiscal year ending September 30, 2023 for the Tomball Economic Development Corporation.

Total revenues for the fiscal year were \$10,680,885, which was \$5,130,885 more than the budgeted amount of \$5,550,000. Sales tax revenues were \$5,636,514, which was \$536,514 more than the budgeted amount of \$5,100,000. For fiscal year 2023, sales tax revenues were up 4.7% over the previous year on an accrual basis. Interest income was \$1,051,118, which was \$601,118 more than budget for the year.



Total administrative expenses for the year were \$748,937, which was \$61,448 less than the budgeted amount of \$810,385. Indirect Economic Development costs for the fiscal year were \$533,127, which was \$190,838 less than the budgeted amount of \$723,965.

Included in the financial information is a schedule of active project grants, which assists with tracking of TEDC grant commitments. The schedule is updated as project grants are added and prior commitments are paid. As of September 30, 2023, the TEDC had outstanding commitments for Board Approved Grants of \$1,786,747.

The Quarterly Investment Report is also included, which lists the details of the TEDC's investment portfolio. As of September 30, 2023, TEDC's cash and cash equivalents totaled over \$20.8 million. Additionally, TEDC held securities with a total market value of \$2,586,628 as of September 30, 2023.

Tomball Economic Development Corporation Profit & Loss Budget vs. Actual

October 2022 through September 2023

	Oct '22 - Sep 23	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
Lease Revenue - GASB 87	216,562.00			
Lease Revenue - FBC	3,299.60			
Lease Revenue - S Live Oak	59,312.20		59,312.20	100.0%
Sales of Business Park Property	3,714,078.99		3,714,078.99	100.0%
Sales Tax	5,636,514.48	5,100,000.00	536,514.48	110.5%
Interest	1,051,117.54	450,000.00	601,117.54	233.6%
Total Income	10,680,884.81	5,550,000.00	5,130,884.81	192.4%
Gross Profit	10,680,884.81	5,550,000.00	5,130,884.81	192.4%
Expense				
Administrative Expenditures				
Salaries and Benefits				
Salary-Executive Director	165,604.73	165,926.00	-321.27	99.8%
Salary- Assistant Director	127,235.61	125,855.00	1,380.61	101.1%
Salary-Coordinator	75,056.42	75,255.00	-198.58	99.7%
Wages-Admin. Asst.	44,202.95	55,000.00	-10,797.05	80.4%
Wages-Part Time		8,300.00	-8,300.00	
Overtime	568.65		568.65	100.0%
Benefits-Executive Director	62,978.85	50,113.00	12,865.85	125.7%
Benefits- Assistant Director	56,188.35	50,910.00	5,278.35	110.4%
Benefits-Coordinator	25,984.71	23,720.00	2,264.71	109.5%
Benefits-Admin. Asst.	29,097.80	37,506.00	-8,408.20	77.6%
Total Salaries and Benefits	586,918.07	592,585.00	-5,666.93	99.0%
Other Personnel Expenditures				
Auto Allowance-Exec. Director	10,800.00	10,800.00		100.0%
Auto Allowance-Assistant Dir	6,000.00	6,000.00		100.0%
Phone Allow.-Exec. Dir.	900.00	900.00		100.0%
Phone Allowance- Assistant Dir	900.00	900.00		100.0%
Phone Allowance-Coordinator	900.00	900.00		100.0%
Dues and Subscriptions	12,144.59	13,100.00	-955.41	92.7%
Local Travel Expense	364.48	500.00	-135.52	72.9%
Seminar/Conference Registration	11,437.50	18,000.00	-6,562.50	63.5%
Travel and Training	12,507.85	30,000.00	-17,492.15	41.7%
Total Other Personnel Expenditures	55,954.42	81,100.00	-25,145.58	69.0%
Service and Supply Expenditures				
Insurance	24,898.10	18,000.00	6,898.10	138.3%
Contract Administrative Service	25,000.00	25,000.00		100.0%
Bank Charges & Postage	82.29	3,500.00	-3,417.71	2.4%
Computer Equip. and Maint.	9,331.37	10,000.00	-668.63	93.3%
Communications Services	4,527.14	5,200.00	-672.86	87.1%
Legal Fees	9,228.50	40,000.00	-30,771.50	23.1%
Lease Expense-GTACC	26,170.12	25,000.00	1,170.12	104.7%
Office Supplies	6,826.75	10,000.00	-3,173.25	68.3%
Total Service and Supply Expenditures	106,064.27	136,700.00	-30,635.73	77.6%
Total Administrative Expenditures	748,936.76	810,385.00	-61,448.24	92.4%

Tomball Economic Development Corporation
Profit & Loss Budget vs. Actual

October 2022 through September 2023

	Oct '22 - Sep 23	Budget	\$ Over Budget	% of Budget
Indirect Economic Development				
Grow Tomball Initiative	10,450.00	20,000.00	-9,550.00	52.3%
Economic Impact Model License	4,561.00	4,565.00	-4.00	99.9%
Promotional Items	4,840.00	6,500.00	-1,660.00	74.5%
Printing	4,398.58	6,500.00	-2,101.42	67.7%
Event Sponsorships	17,353.66	29,000.00	-11,646.34	59.8%
Chamber Guide	8,354.00	8,400.00	-46.00	99.5%
Area Street Maps	3,875.00	4,000.00	-125.00	96.9%
Marketing	93,141.00	105,000.00	-11,859.00	88.7%
Website and GIS	23,725.00	25,000.00	-1,275.00	94.9%
Professional Services	356,207.97	500,000.00	-143,792.03	71.2%
Miscellaneous	6,220.35	15,000.00	-8,779.65	41.5%
Total Indirect Economic Development	533,126.56	723,965.00	-190,838.44	73.6%
City Debt Service				
Medical Complex/Persimmon	222,222.00	222,222.00		100.0%
Business Park Infrastructure	539,462.50	539,463.00	-0.50	100.0%
Total City Debt Service	761,684.50	761,685.00	-0.50	100.0%
Grants, Loans & Other Exp.				
First Baptist Church Expenses	3,500.00			
South Live Oak Redevelopment	80,370.39	5,000,000.00	-4,919,629.61	1.6%
Depreciation	316,634.87			
Old Town Facade Grants- Prior Y	33,469.37	100,000.00	-66,530.63	33.5%
Old Town Facade Grants- Current	20,242.87	250,000.00	-229,757.13	8.1%
Business Park Expenses	94,790.85	300,000.00	-205,209.15	31.6%
Sales Tax Reimb.Grants (380)	70,129.55	70,000.00	129.55	100.2%
Business Imp. Grants- Prior Yr.	211,882.17	250,000.00	-38,117.83	84.8%
Business Imp. Grants- Curr. Yr.	154,500.67	350,000.00	-195,499.33	44.1%
Project Grants	2,051,758.86	2,500,000.00	-448,241.14	82.1%
Property Acquisition		5,000,000.00	-5,000,000.00	
Total Grants, Loans & Other Exp.	3,037,279.60	13,820,000.00	-10,782,720.40	22.0%
Total Expense	5,081,027.42	16,116,035.00	-11,035,007.58	31.5%
Net Ordinary Income	5,599,857.39	-10,566,035.00	16,165,892.39	-53.0%
Net Income	5,599,857.39	-10,566,035.00	16,165,892.39	-53.0%

Tomball Economic Development Corporation Profit & Loss Prev Year Comparison

October 2022 through September 2023

	Oct '22 - Sep 23	Oct '21 - Sep 22	\$ Change	% Change
Ordinary Income/Expense				
Income				
Lease Revenue - GASB 87	216,562.00	202,960.00	13,602.00	6.7%
Lease Revenue - FBC	3,299.60	0.00	3,299.60	100.0%
Lease Revenue - S Live Oak	59,312.20	77,982.73	-18,670.53	-23.9%
Miscellaneous	0.00	1,264.55	-1,264.55	-100.0%
Sales of Business Park Property	3,714,078.99	1,722,565.13	1,991,513.86	115.6%
Grants	0.00	8,000.00	-8,000.00	-100.0%
Sales Tax	5,636,514.48	5,386,245.49	250,268.99	4.7%
Interest	1,051,117.54	446,296.66	604,820.88	135.5%
Total Income	10,680,884.81	7,845,314.56	2,835,570.25	36.1%
Gross Profit	10,680,884.81	7,845,314.56	2,835,570.25	36.1%
Expense				
Administrative Expenditures				
Salaries and Benefits				
Salary-Executive Director	165,604.73	134,893.11	30,711.62	22.8%
Salary- Assistant Director	127,235.61	91,517.53	35,718.08	39.0%
Salary-Coordinator	75,056.42	59,851.43	15,204.99	25.4%
Wages-Admin. Asst.	44,202.95	28,035.68	16,167.27	57.7%
Overtime	568.65	20.55	548.10	2,667.2%
Benefits-Executive Director	62,978.85	47,478.43	15,500.42	32.7%
Benefits- Assistant Director	56,188.35	49,662.64	6,525.71	13.1%
Benefits-Coordinator	25,984.71	22,435.48	3,549.23	15.8%
Benefits-Admin. Asst.	29,097.80	25,181.97	3,915.83	15.6%
Total Salaries and Benefits	586,918.07	459,076.82	127,841.25	27.9%
Other Personnel Expenditures				
Auto Allowance-Exec. Director	10,800.00	10,800.00	0.00	0.0%
Auto Allowance-Assistant Dir	6,000.00	6,000.00	0.00	0.0%
Phone Allow.-Exec. Dir.	900.00	900.00	0.00	0.0%
Phone Allowance- Assistant Dir	900.00	900.00	0.00	0.0%
Phone Allowance-Coordinator	900.00	0.00	900.00	100.0%
Dues and Subscriptions	12,144.59	11,491.56	653.03	5.7%
Local Travel Expense	364.48	89.72	274.76	306.2%
Seminar/Conference Registration	11,437.50	10,349.00	1,088.50	10.5%
Travel and Training	12,507.85	17,654.69	-5,146.84	-29.2%
Total Other Personnel Expenditures	55,954.42	58,184.97	-2,230.55	-3.8%
Service and Supply Expenditures				
Insurance	24,898.10	17,952.76	6,945.34	38.7%
Contract Administrative Service	25,000.00	25,000.00	0.00	0.0%
Bank Charges & Postage	82.29	2,197.75	-2,115.46	-96.3%
Computer Equip. and Maint.	9,331.37	4,296.53	5,034.84	117.2%
Communications Services	4,527.14	4,267.91	259.23	6.1%
Legal Fees	9,228.50	4,690.53	4,537.97	96.8%
Lease Expense-GTACC	26,170.12	25,055.65	1,114.47	4.5%
Office Supplies	6,826.75	4,259.31	2,567.44	60.3%
Total Service and Supply Expenditures	106,064.27	87,720.44	18,343.83	20.9%
Total Administrative Expenditures	748,936.76	604,982.23	143,954.53	23.8%

Tomball Economic Development Corporation Profit & Loss Prev Year Comparison

October 2022 through September 2023

	Oct '22 - Sep 23	Oct '21 - Sep 22	\$ Change	% Change
Indirect Economic Development				
Grow Tomball Initiative	10,450.00	0.00	10,450.00	100.0%
Economic Impact Model License	4,561.00	4,561.00	0.00	0.0%
Promotional Items	4,840.00	4,714.78	125.22	2.7%
Printing	4,398.58	1,121.50	3,277.08	292.2%
Event Sponsorships	17,353.66	8,038.42	9,315.24	115.9%
Chamber Guide	8,354.00	8,354.00	0.00	0.0%
Area Street Maps	3,875.00	0.00	3,875.00	100.0%
Marketing	93,141.00	83,115.00	10,026.00	12.1%
Website and GIS	23,725.00	12,100.00	11,625.00	96.1%
Professional Services	356,207.97	306,422.80	49,785.17	16.3%
Miscellaneous	6,220.35	44,914.05	-38,693.70	-86.2%
Total Indirect Economic Development	533,126.56	473,341.55	59,785.01	12.6%
City Debt Service				
Medical Complex/Persimmon	222,222.00	222,222.00	0.00	0.0%
Business Park Infrastructure	539,462.50	537,662.50	1,800.00	0.3%
Southside Utility Ext.(2/15/22)	0.00	370,000.00	-370,000.00	-100.0%
Total City Debt Service	761,684.50	1,129,884.50	-368,200.00	-32.6%
Grants, Loans & Other Exp.				
First Baptist Church Expenses	3,500.00	0.00	3,500.00	100.0%
South Live Oak Redevelopment	80,370.39	76,553.32	3,817.07	5.0%
Depreciation	316,634.87	211,653.38	104,981.49	49.6%
Old Town Facade Grants- Prior Y	33,469.37	125,560.35	-92,090.98	-73.3%
Old Town Facade Grants- Current	20,242.87	0.00	20,242.87	100.0%
Business Park Expenses	94,790.85	133,984.95	-39,194.10	-29.3%
Sales Tax Reimb.Grants (380)	70,129.55	66,823.15	3,306.40	5.0%
Business Imp. Grants- Prior Yr.	211,882.17	197,302.46	14,579.71	7.4%
Business Imp. Grants- Curr. Yr.	154,500.67	121,344.17	33,156.50	27.3%
Project Grants	2,051,758.86	620,825.45	1,430,933.41	230.5%
Property Acquisition	0.00	0.00	0.00	0.0%
Total Grants, Loans & Other Exp.	3,037,279.60	1,554,047.23	1,483,232.37	95.4%
Total Expense	5,081,027.42	3,762,255.51	1,318,771.91	35.1%
Net Ordinary Income	5,599,857.39	4,083,059.05	1,516,798.34	37.2%
Other Income/Expense				
Other Income				
Other Income				
Unrealized Gains/Losses on Inv.	19,112.71	-468,744.18	487,856.89	104.1%
Other Income - Other	1,742.24	13,476.28	-11,734.04	-87.1%
Total Other Income	20,854.95	-455,267.90	476,122.85	104.6%
Total Other Income	20,854.95	-455,267.90	476,122.85	104.6%
Net Other Income	20,854.95	-455,267.90	476,122.85	104.6%
Net Income	5,620,712.34	3,627,791.15	1,992,921.19	54.9%

Tomball Economic Development Corporation
Balance Sheet Prev Year Comparison
As of September 30, 2023

	Sep 30, 23	Sep 30, 22	\$ Change	% Change
ASSETS				
Current Assets				
Checking/Savings				
Wells Fargo, checking	143,987.73	265,310.39	-121,322.66	-45.7%
TexasCLASS	1,032,274.43	984,064.15	48,210.28	4.9%
TexPool	19,722,519.68	15,083,092.85	4,639,426.83	30.8%
Total Checking/Savings	20,898,781.84	16,332,467.39	4,566,314.45	28.0%
Accounts Receivable				
Lease Receivable	712,316.00	833,221.00	-120,905.00	-14.5%
Accounts Receivable - Other	654,418.23	423,275.06	231,143.17	54.6%
Accounts Receivable	1,127,494.58	941,074.04	186,420.54	19.8%
Total Accounts Receivable	2,494,228.81	2,197,570.10	296,658.71	13.5%
Other Current Assets				
Lease Interest Receivable	2,417.00	2,638.00	-221.00	-8.4%
Investment Securities	2,586,627.52	6,282,514.81	-3,695,887.29	-58.8%
Total Other Current Assets	2,589,044.52	6,285,152.81	-3,696,108.29	-58.8%
Total Current Assets	25,982,055.17	24,815,190.30	1,166,864.87	4.7%
Fixed Assets				
Buildings and Improvements				
Accumulated Depreciation	-842,228.25	-525,593.38	-316,634.87	-60.2%
Buildings and Improvements - Other	8,421,415.90	4,233,067.57	4,188,348.33	98.9%
Total Buildings and Improvements	7,579,187.65	3,707,474.19	3,871,713.46	104.4%
Land	4,023,570.51	3,573,659.34	449,911.17	12.6%
Total Fixed Assets	11,602,758.16	7,281,133.53	4,321,624.63	59.4%
TOTAL ASSETS	37,584,813.33	32,096,323.83	5,488,489.50	17.1%
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
Accounts Payable	287,923.14	285,192.98	2,730.16	1.0%
Total Accounts Payable	287,923.14	285,192.98	2,730.16	1.0%
Other Current Liabilities				
Refundable Deposit	10,869.00	10,869.00	0.00	0.0%
Total Other Current Liabilities	10,869.00	10,869.00	0.00	0.0%
Total Current Liabilities	298,792.14	296,061.98	2,730.16	0.9%

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Accrual Basis

Tomball Economic Development Corporation
Balance Sheet Prev Year Comparison
As of September 30, 2023

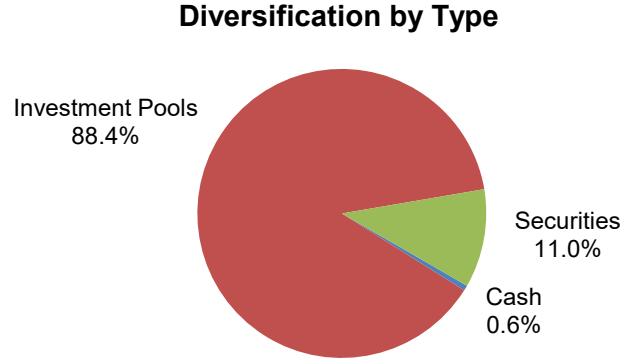
	Sep 30, 23	Sep 30, 22	\$ Change	% Change
Long Term Liabilities				
Deferred Inflows - Leases	676,887.00	811,840.00	-134,953.00	-16.6%
Total Long Term Liabilities	676,887.00	811,840.00	-134,953.00	-16.6%
Total Liabilities	975,679.14	1,107,901.98	-132,222.84	-11.9%
Equity				
Fund Balance				
Board Approved Grants	1,786,746.95	1,828,989.40	-42,242.45	-2.3%
Fund Balance - Other	28,950,840.24	25,280,806.64	3,670,033.60	14.5%
Total Fund Balance	30,737,587.19	27,109,796.04	3,627,791.15	13.4%
Retained Earnings	250,834.66	250,834.66	0.00	0.0%
Net Income	5,620,712.34	3,627,791.15	1,992,921.19	54.9%
Total Equity	36,609,134.19	30,988,421.85	5,620,712.34	18.1%
TOTAL LIABILITIES & EQUITY	37,584,813.33	32,096,323.83	5,488,489.50	17.1%

TOMBALL ECONOMIC DEVELOPMENT CORPORATION
ACTIVE PROJECT GRANTS (BOARD APPROVED GRANTS)
AS OF SEPTEMBER 30, 2023

GRANTEE	APPROVED		ADDITIONS/DELETIONS		PAID		REMAINING AMOUNT
	DATE	AMOUNT	EXPIRATION DATE	DATE	AMOUNT	AMOUNT	
Dancing Falls Development, LLC	11/14/2017	50,925.00					
					1/14/2020	15,277.50	
					3/5/2021	5,092.50	
					9/1/2021	12,731.25	
					3/22/2022	5,092.50	12,731.25
					12/14/2022	105,646.82	81,053.18
ARC Management, LLC	5/15/2018	186,700.00					135,591.00
JDR Cable Systems, Inc.	12/17/2019	135,591.00	2/23/2024				84,894.00
Houston Poly Bag I, Ltd	5/28/2020	84,894.00	8/3/2024				25,136.00
The Hutson Group	1/12/2021	48,800.00	3/9/2026		2/28/2023	23,664.00	20,529.00
TECHSICO Wireless	11/9/2021	20,529.00	1/16/2024				105,100.00
GK Hospitality Development, LLC	11/9/2021	105,100.00	7/16/2024				
Friends of Tomball Community Library	11/9/2021	47,614.00			1/11/2023	9,856.42	
					2/6/2023	14,748.42	
					3/28/2023	4,817.40	
					6/20/2023	2,455.34	15,736.42
Project Hanks/Macy's Inc.	1/11/2022	580,864.00	3/20/2024				580,864.00
Sip Hip Hooray	5/10/2022	40,545.00			10/11/2022	5,018.85	
					12/13/2022	4,633.23	
					1/10/2023	3,658.36	
					2/27/2023	5,875.01	
					5/16/2023	4,950.72	
					6/27/2023	5,216.73	11,192.10
Clearhope Counseling & Wellness Center, LP	8/2/2022	6,875.00	9/27/2023				6,875.00
Della Casa Pasta LLC	11/15/2022	16,077.00	1/10/2024				16,077.00
Persimmon Global Logistics	1/10/2023	16,920.00	3/11/2025		9/26/2023	12,470.00	4,450.00
Hufsmith-Kohrville Business Park, LLC	1/10/2023	122,722.00	9/11/2024				122,722.00
Church Holdings, Inc.	1/10/2023	426,639.00	9/11/2024				426,639.00
BCS Tomball Main, LLC	1/10/2023	123,094.00	9/11/2024				123,094.00
STUDIO a28, LLC	1/10/2023	4,063.00	3/11/2024				4,063.00
The Garza Agency	9/12/2023	10,000.00	11/11/2024				10,000.00
Total		\$ 2,027,952.00				\$ 237,669.85	\$ 1,786,746.95

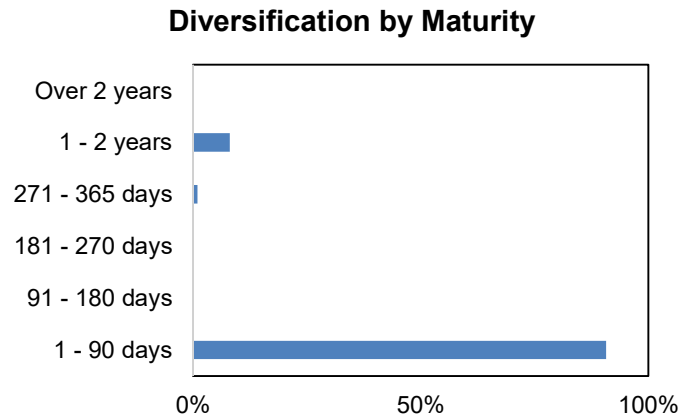
TOMBALL ECONOMIC DEVELOPMENT CORPORATION
QUARTERLY INVESTMENT REPORT
September 30, 2023

	Market Value		Change
	6/30/2023	9/30/2023	
Cash	\$ 186,879	\$ 143,988	\$ (42,891)
Investment Pools	18,995,814	20,754,794	1,758,980
Securities	3,078,092	2,586,628	(491,464)
Total Portfolio	\$ 22,260,785	\$ 23,485,409	\$ 1,224,624



Safety of principal is the first priority of any Public investing portfolio. The Tomball Economic Development Corporation invests in securities of federal, state and local governments, and investment pools. These investments are in securities with a rating of A-1/P-1 or higher and pools with Standard & Poor's highest rating of AAAM.

	Current Market Value	Percent Portfolio
1 - 90 days	\$ 21,314,256	91%
91 - 180 days	-	0%
181 - 270 days	-	0%
271 - 365 days	252,153	1%
1 - 2 years	1,919,001	8%
Over 2 years	-	0%
Total Portfolio	\$ 23,485,409	



Ensuring adequate liquidity is available to cover all expenditures is the second priority of any public investing program. The Tomball Economic Development Corporation staff forecasts cash flow and matches the maturity of investments with future cash needs. A portion of funds are kept in overnight investments as a buffer for any unexpected expenditures. These overnight investments (TexPool, Texas CLASS) have been performing according to market in terms of yield as well as providing liquidity.

This report is in compliance with the investment strategies as approved and the Public Funds Investment Act.

Katherine Tapscott
 Finance Director

**TOMBALL ECONOMIC DEVELOPMENT CORPORATION
INVESTMENTS IN SECURITIES
9/30/2023**

SECURITY DESCRIPTION	CUSIP NUMBER	MATURITY DATE	COUPON YIELD	PAR VALUE	MARKET VALUE	DAYS AFTER 09/30/23	INDIVIDUAL MARKET VALUE/TOTAL	WAM DAYS x PERCENT	Callable
1 Conroe TX Cert of Obl	2083992X2	11/15/2023	5.000%	\$ 415,000	\$ 415,474	46	16.06%	7	N
2 Royse City Tx Cert of Obl	780860MK5	8/15/2024	5.000%	\$ 250,000	\$ 252,153	320	9.75%	31	N
3 Texas State TXBL- Pub Fin Auth	882724GV3	10/1/2024	3.225%	\$ 500,000	\$ 489,019	367	18.91%	69	N
4 Federal Home Loan Bank	3130AX3R7	3/11/2025	5.580%	\$ 500,000	\$ 499,635	528	19.32%	102	Y
5 Federal Home Loan Bank	3130AMTK8	6/30/2025	1.000%	\$ 1,000,000	\$ 930,347	639	35.97%	230	Y
TOTAL				3.961%	\$ 2,665,000	\$ 2,586,628	380	100.00%	440

**TOMBALL ECONOMIC DEVELOPMENT CORPORATION
CASH AND CASH EQUIVALENTS
9/30/2023
September 30, 2023**

FUNDS	CASH AND CASH EQUIVALENTS				INVESTMENTS	
MAJOR FUNDS	TEXAS CLASS	TEXPOOL	OPERATING ACCOUNTS	TOTAL CASH AND CASH EQUIVALENTS	TOTAL INVESTMENTS	TOTAL CASH, CASH EQUIVALENTS AND INVESTMENTS
General	\$ 1,032,274	\$ 19,722,520	\$ 143,988	\$ 20,898,782	\$ 2,586,628	\$ 23,485,409
TOTAL	\$ 1,032,274	\$ 19,722,520	\$ 143,988	\$ 20,898,782	\$ 2,586,628	\$ 23,485,409