

TOMBALL ECONOMIC DEVELOPMENT CORPORATION

MEMORANDUM

TO: TEDC Board of Directors

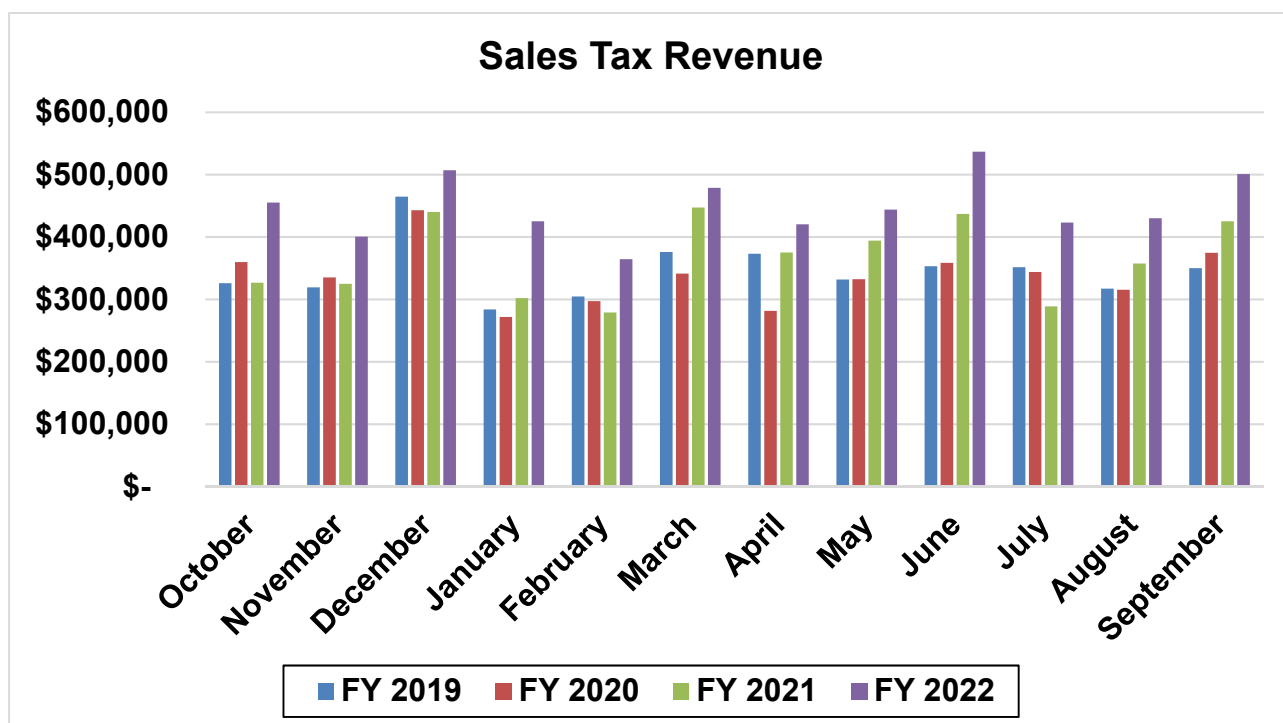
FROM: Katherine Tapscott, Finance Director

SUBJECT: Preliminary Financial Information for Year Ending September 30, 2022

DATE: November 15, 2022

Attached is the preliminary financial information for the year ending September 30, 2022 for the Tomball Economic Development Corporation.

Total revenues for the fiscal year were \$7,898,491, which was \$3,440,491 greater than the budgeted amount of \$4,458,000. Sales tax revenues were \$5,386,245, which was \$1,286,245 greater than the budgeted amount of \$4,100,000. For fiscal year 2022, sales tax revenues were up 22.5% over the previous year on an accrual basis. Investment income was \$410,408, which was \$60,408 greater than expected for the fiscal year.



Total administrative expenses for the fiscal year were \$604,982, which was \$58,950 less than the budgeted amount of \$663,932. Indirect Economic Development costs for the fiscal year were \$464,360, which was \$225,605 less than the budgeted amount of \$689,965.

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, 2022, the TEDC had outstanding commitments for Board Approved Grants of \$1,828,989.

The Quarterly Investment Report is also included, which lists the details of the TEDC's investment portfolio. As of September 30, 2022, TEDC's cash and cash equivalents totaled over \$16.3 million. Additionally, TEDC held securities with a total market value of \$6,282,515 as of September 30, 2022.

Tomball Economic Development Corporation
Profit & Loss Budget vs. Actual
October 2021 through September 2022

	Oct '21 - Sep 22	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
Lease Revenue	292,812.73		292,812.73	100.0%
Miscellaneous	1,264.55		1,264.55	100.0%
Sales of Business Park Property	1,799,760.84		1,799,760.84	100.0%
Grants	8,000.00	8,000.00		100.0%
Sales Tax	5,386,245.49	4,100,000.00	1,286,245.49	131.4%
Interest	410,407.66	350,000.00	60,407.66	117.3%
Total Income	7,898,491.27	4,458,000.00	3,440,491.27	177.2%
Gross Profit	7,898,491.27	4,458,000.00	3,440,491.27	177.2%
Expense				
Administrative Expenditures				
Salaries and Benefits				
Benefits-Coordinator	22,435.48	22,077.00	358.48	101.6%
Salary-Coordinator	59,851.43	58,789.00	1,062.43	101.8%
Overtime	20.55	3,000.00	-2,979.45	0.7%
Benefits-Admin. Asst.	25,181.97	18,529.00	6,652.97	135.9%
Wages-Admin. Asst.	28,035.68	38,000.00	-9,964.32	73.8%
Salary-Executive Director	134,893.11	134,533.00	360.11	100.3%
Salary- Assistant Director	91,517.53	89,892.00	1,625.53	101.8%
Benefits-Executive Director	47,478.43	47,340.00	138.43	100.3%
Benefits- Assistant Director	49,662.64	45,972.00	3,690.64	108.0%
Total Salaries and Benefits	459,076.82	458,132.00	944.82	100.2%
Other Personnel Expenditures				
Auto Allowance-Assistant Dir	6,000.00	6,000.00		100.0%
Phone Allowance- Assistant Dir	900.00	900.00		100.0%
Phone Allow.-Exec. Dir.	900.00	900.00		100.0%
Auto Allowance-Exec.Director	10,800.00	10,800.00		100.0%
Dues and Subscriptions	11,491.56	10,000.00	1,491.56	114.9%
Seminar/Conference Registration	10,349.00	18,000.00	-7,651.00	57.5%
Travel and Training	17,654.69	30,000.00	-12,345.31	58.8%
Local Travel Expense	89.72	500.00	-410.28	17.9%
Total Other Personnel Expenditures	58,184.97	77,100.00	-18,915.03	75.5%
Service and Supply Expenditures				
Insurance	17,952.76	15,000.00	2,952.76	119.7%
Contract Administrative Service	25,000.00	25,000.00		100.0%
Bank Charges & Postage	2,197.75	3,500.00	-1,302.25	62.8%
Computer Equip. and Maint.	4,296.53	5,000.00	-703.47	85.9%
Communications Services	4,267.91	5,200.00	-932.09	82.1%
Legal Fees	4,690.53	40,000.00	-35,309.47	11.7%
Lease Expense-GTACC	25,055.65	25,000.00	55.65	100.2%
Office Supplies	4,259.31	10,000.00	-5,740.69	42.6%
Total Service and Supply Expenditures	87,720.44	128,700.00	-40,979.56	68.2%
Total Administrative Expenditures	604,982.23	663,932.00	-58,949.77	91.1%

12:48 PM

11/09/22

Accrual Basis

Tomball Economic Development Corporation
Profit & Loss Budget vs. Actual
October 2021 through September 2022

	Oct '21 - Sep 22	Budget	\$ Over Budget	% of Budget
Indirect Economic Development				
Economic Impact Model License	4,561.00	4,565.00	-4.00	99.9%
Promotional Items	4,714.78	6,500.00	-1,785.22	72.5%
Printing	1,121.50	6,500.00	-5,378.50	17.3%
Event Sponsorships	8,038.42	29,000.00	-20,961.58	27.7%
Chamber Guide	8,354.00	8,400.00	-46.00	99.5%
Marketing	83,115.00	100,000.00	-16,885.00	83.1%
Website and GIS	12,100.00	20,000.00	-7,900.00	60.5%
Professional Services	297,441.02	500,000.00	-202,558.98	59.5%
Miscellaneous	44,914.05	15,000.00	29,914.05	299.4%
Total Indirect Economic Development	464,359.77	689,965.00	-225,605.23	67.3%
City Debt Service				
Medical Complex/Persimmon	222,222.00	222,222.00		100.0%
Business Park Infrastructure	537,662.50	537,663.00	-0.50	100.0%
Southside Utility Ext.(2/15/22)	370,000.00	370,000.00		100.0%
Total City Debt Service	1,129,884.50	1,129,885.00	-0.50	100.0%
Grants, Loans & Other Exp.				
South Live Oak Redevelopment	76,553.32	4,000,000.00	-3,923,446.68	1.9%
Depreciation	211,653.38			
Old Town Facade Grants- Prior Y	125,560.35	200,000.00	-74,439.65	62.8%
Old Town Facade Grants- Current		250,000.00	-250,000.00	
Businesss Park Expenses	107,414.95	300,000.00	-192,585.05	35.8%
Sales Tax Reimb.Grants (380)	66,823.16	55,000.00	11,823.16	121.5%
Business Imp. Grants- Prior Yr.	197,302.46	255,850.00	-58,547.54	77.1%
Business Imp. Grants- Curr. Yr.	121,344.17	350,000.00	-228,655.83	34.7%
Project Grants	620,825.45	2,500,000.00	-1,879,174.55	24.8%
Property Acquisition		2,500,000.00	-2,500,000.00	
Total Grants, Loans & Other Exp.	1,527,477.24	10,410,850.00	-8,883,372.76	14.7%
Total Expense	3,726,703.74	12,894,632.00	-9,167,928.26	28.9%
Net Ordinary Income	4,171,787.53	-8,436,632.00	12,608,419.53	-49.4%
Net Income	4,171,787.53	-8,436,632.00	12,608,419.53	-49.4%

12:49 PM

11/09/22

Cash Basis

Tomball Economic Development Corporation
Profit & Loss Prev Year Comparison
October 2021 through September 2022

	Oct '21 - Sep 22	Oct '20 - Sep 21	\$ Change	% Change
Ordinary Income/Expense				
Income				
Miscellaneous	1,264.55	0.00	1,264.55	100.0%
Sales of Business Park Property	1,799,760.84	583,289.36	1,216,471.48	208.6%
Grants	8,000.00	16,000.00	-8,000.00	-50.0%
Sales Tax	2,739,344.45	3,625,859.96	-886,515.51	-24.5%
Interest	410,407.66	352,380.83	58,026.83	16.5%
Total Income	4,958,777.50	4,577,530.15	381,247.35	8.3%
Gross Profit	4,958,777.50	4,577,530.15	381,247.35	8.3%
Expense				
Administrative Expenditures				
Salaries and Benefits				
Benefits-Coordinator	22,435.48	0.00	22,435.48	100.0%
Salary-Coordinator	59,851.43	0.00	59,851.43	100.0%
Overtime	20.55	0.00	20.55	100.0%
Benefits-Admin. Asst.	25,181.97	19,242.49	5,939.48	30.9%
Wages-Admin. Asst.	28,035.68	45,245.84	-17,210.16	-38.0%
Salary-Executive Director	134,893.11	128,661.57	6,231.54	4.8%
Salary- Assistant Director	91,517.53	87,290.61	4,226.92	4.8%
Benefits-Executive Director	47,478.43	52,959.47	-5,481.04	-10.4%
Benefits- Assistant Director	49,662.64	56,971.66	-7,309.02	-12.8%
Total Salaries and Benefits	459,076.82	390,371.64	68,705.18	17.6%
Other Personnel Expenditures				
Auto Allowance-Assistant Dir	6,000.00	1,200.00	4,800.00	400.0%
Phone Allowance- Assistant Dir	900.00	900.00	0.00	0.0%
Phone Allow.-Exec. Dir.	900.00	900.00	0.00	0.0%
Auto Allowance-Exec. Director	10,800.00	7,200.00	3,600.00	50.0%
Dues and Subscriptions	11,491.56	7,681.35	3,810.21	49.6%
Seminar/Conference Registration	10,349.00	10,396.00	-47.00	-0.5%
Travel and Training	17,654.69	3,439.75	14,214.94	413.3%
Local Travel Expense	89.72	236.06	-146.34	-62.0%
Total Other Personnel Expenditures	58,184.97	31,953.16	26,231.81	82.1%
Service and Supply Expenditures				
Insurance	17,952.76	9,847.14	8,105.62	82.3%
Contract Administrative Service	25,000.00	25,000.00	0.00	0.0%
Bank Charges & Postage	2,197.75	3,016.62	-818.87	-27.2%
Computer Equip. and Maint.	4,296.53	5,823.29	-1,526.76	-26.2%
Communications Services	4,267.91	3,975.61	292.30	7.4%
Legal Fees	4,690.53	31,995.50	-27,304.97	-85.3%
Lease Expense-GTACC	25,055.65	24,573.55	482.10	2.0%
Office Supplies	4,259.31	2,187.89	2,071.42	94.7%
Total Service and Supply Expenditures	87,720.44	106,419.60	-18,699.16	-17.6%
Total Administrative Expenditures	604,982.23	528,744.40	76,237.83	14.4%

12:49 PM

11/09/22

Cash Basis

Tomball Economic Development Corporation
Profit & Loss Prev Year Comparison
October 2021 through September 2022

	Oct '21 - Sep 22	Oct '20 - Sep 21	\$ Change	% Change
Indirect Economic Development				
Economic Impact Model License	4,561.00	4,428.00	133.00	3.0%
Promotional Items	4,714.78	1,159.55	3,555.23	306.6%
Printing	1,121.50	5,403.97	-4,282.47	-79.3%
Event Sponsorships	8,038.42	24,027.78	-15,989.36	-66.6%
Chamber Guide	8,354.00	8,354.00	0.00	0.0%
Area Street Maps	0.00	3,875.00	-3,875.00	-100.0%
Marketing	83,115.00	80,150.00	2,965.00	3.7%
Website and GIS	12,100.00	36,299.00	-24,199.00	-66.7%
Professional Services	297,441.02	202,419.69	95,021.33	46.9%
Miscellaneous	44,914.05	78,231.70	-33,317.65	-42.6%
Total Indirect Economic Development	464,359.77	444,348.69	20,011.08	4.5%
City Debt Service				
Medical Complex/Persimmon	222,222.00	222,222.00	0.00	0.0%
Business Park Infrastructure	537,662.50	535,662.50	2,000.00	0.4%
Southside Utility Ext.(2/15/22)	370,000.00	370,000.00	0.00	0.0%
Total City Debt Service	1,129,884.50	1,127,884.50	2,000.00	0.2%
Grants, Loans & Other Exp.				
South Live Oak Redevelopment	865.71	0.00	865.71	100.0%
Depreciation	211,653.38	209,883.00	1,770.38	0.8%
Old Town Facade Grants- Prior Y	125,560.35	38,782.50	86,777.85	223.8%
Businesss Park Expenses	107,414.95	81,162.12	26,252.83	32.4%
Sales Tax Reimb.Grants (380)	66,823.16	50,139.36	16,683.80	33.3%
Business Imp. Grants- Prior Yr.	197,302.46	67,000.13	130,302.33	194.5%
Business Imp. Grants- Curr. Yr.	121,344.17	62,078.46	59,265.71	95.5%
Project Grants	620,825.45	210,157.75	410,667.70	195.4%
Property Acquisition	0.00	0.00	0.00	0.0%
Total Grants, Loans & Other Exp.	1,451,789.63	719,203.32	732,586.31	101.9%
Total Expense	3,651,016.13	2,820,180.91	830,835.22	29.5%
Net Ordinary Income	1,307,761.37	1,757,349.24	-449,587.87	-25.6%
Other Income/Expense				
Other Income				
Other Income				
Unrealized Gains/Losses on Inv.	-468,744.18	-264,615.14	-204,129.04	-77.1%
Total Other Income	-468,744.18	-264,615.14	-204,129.04	-77.1%
Total Other Income	-468,744.18	-264,615.14	-204,129.04	-77.1%
Net Other Income	-468,744.18	-264,615.14	-204,129.04	-77.1%
Net Income	839,017.19	1,492,734.10	-653,716.91	-43.8%

12:50 PM

11/09/22

Cash Basis

Tomball Economic Development Corporation
Balance Sheet Prev Year Comparison
As of September 30, 2022

	Sep 30, 22	Sep 30, 21	\$ Change	% Change
ASSETS				
Current Assets				
Checking/Savings				
Wells Fargo, checking	265,310.39	339,695.61	-74,385.22	-21.9%
TexasCLASS	984,064.15	976,099.22	7,964.93	0.8%
TexPool	15,083,092.85	8,007,604.12	7,075,488.73	88.4%
Total Checking/Savings	16,332,467.39	9,323,398.95	7,009,068.44	75.2%
Accounts Receivable				
Accounts Receivable - Other	-59,931.00	-61,931.00	2,000.00	3.2%
Accrued Interest Receivable	-65,500.00	-65,500.00	0.00	0.0%
Accounts Receivable	-3,754,648.62	-1,243,637.44	-2,511,011.18	-201.9%
Total Accounts Receivable	-3,880,079.62	-1,371,068.44	-2,509,011.18	-183.0%
Other Current Assets				
Investment Securities	6,282,514.81	9,506,258.99	-3,223,744.18	-33.9%
Total Other Current Assets	6,282,514.81	9,506,258.99	-3,223,744.18	-33.9%
Total Current Assets	18,734,902.58	17,458,589.50	1,276,313.08	7.3%
Fixed Assets				
Buildings and Improvements				
Accumulated Depreciation	-525,593.38	-313,940.00	-211,653.38	-67.4%
Buildings and Improvements - Other	4,233,067.57	4,233,067.57	0.00	0.0%
Total Buildings and Improvements	3,707,474.19	3,919,127.57	-211,653.38	-5.4%
Land	3,650,855.05	3,871,114.37	-220,259.32	-5.7%
Total Fixed Assets	7,358,329.24	7,790,241.94	-431,912.70	-5.5%
TOTAL ASSETS	26,093,231.82	25,248,831.44	844,400.38	3.3%
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
Accounts Payable	675,584.40	672,201.21	3,383.19	0.5%
Total Accounts Payable	675,584.40	672,201.21	3,383.19	0.5%

12:50 PM

11/09/22

Cash Basis

Tomball Economic Development Corporation
Balance Sheet Prev Year Comparison
As of September 30, 2022

	Sep 30, 22	Sep 30, 21	\$ Change	% Change
Other Current Liabilities				
Refundable Deposit	10,869.00	8,869.00	2,000.00	22.6%
Total Other Current Liabilities	10,869.00	8,869.00	2,000.00	22.6%
Total Current Liabilities	686,453.40	681,070.21	5,383.19	0.8%
Total Liabilities	686,453.40	681,070.21	5,383.19	0.8%
Equity				
Fund Balance				
Assigned Fund Balance	0.00	68,814.64	-68,814.64	-100.0%
Board Approved Grants	1,828,989.40	1,838,469.75	-9,480.35	-0.5%
Fund Balance - Other	25,280,806.64	22,878,655.52	2,402,151.12	10.5%
Total Fund Balance	27,109,796.04	24,785,939.91	2,323,856.13	9.4%
Retained Earnings	-2,542,034.81	-1,710,912.78	-831,122.03	-48.6%
Net Income	839,017.19	1,492,734.10	-653,716.91	-43.8%
Total Equity	25,406,778.42	24,567,761.23	839,017.19	3.4%
TOTAL LIABILITIES & EQUITY	26,093,231.82	25,248,831.44	844,400.38	3.3%

TOMBALL ECONOMIC DEVELOPMENT CORPORATION
ACTIVE PROJECT GRANTS (BOARD APPROVED GRANTS)
AS OF SEPTEMBER 30, 2022

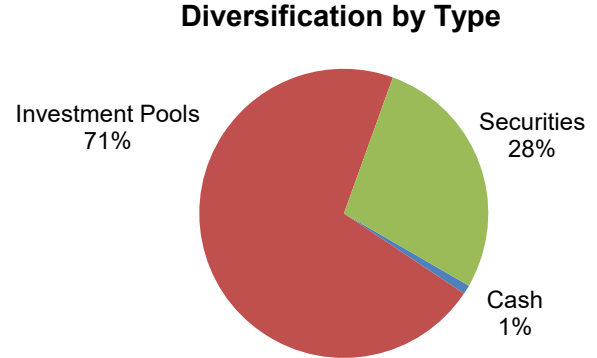
GRANTEE	APPROVED		ADDITIONS/DELETIONS		PAID		REMAINING AMOUNT
	DATE	AMOUNT	EXPIRATION DATE	DATE	AMOUNT	DATE	
Dancing Falls Development, LLC	11/14/2017	50,925.00				1/14/2020 3/5/2021 9/1/2021 3/22/2022	15,277.50 5,092.50 12,731.25 5,092.50 12,731.25
ARC Management, LLC	5/15/2018	186,700.00					186,700.00
Century Hydraulics	5/14/2019	44,543.00	1/22/2023				44,543.00
JDR Cable Systems, Inc.	12/17/2019	135,591.00	2/23/2023				135,591.00
Houston Poly Bag I, Ltd	5/28/2020	84,894.00	8/3/2023				84,894.00
City of Tomball - Matheson Park	11/10/2020	300,000.00					300,000.00
Power Now, LLC	12/10/2020	45,000.00	2/5/2023				45,000.00
The Hutson Group	1/12/2021	48,800.00					48,800.00
DunnCo Properties II, Ltd.	3/9/2021	54,760.00	11/4/2022				54,760.00
Dicar, Inc.	7/13/2021	71,181.00	8/7/2023				71,181.00
Jonah's Movers	7/13/2021	26,925.00	3/7/2023				26,925.00
Silver Accounting Group, LLC	11/9/2021	8,236.00	1/16/2023				8,236.00
TECHSICO Wireless	11/9/2021	20,529.00	1/16/2024				20,529.00
GK Hospitality Development, LLC	11/9/2021	105,100.00	7/16/2023				105,100.00
Friends of Tomball Community Library	11/9/2021	47,614.00					47,614.00
Decatur Professional Development, LLC	1/11/2022	6,600.00	3/20/2023				6,600.00
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 35,526.15
Della Casa Pasta LLC	7/12/2022	6,520.00	9/6/2023				6,520.00
Clearhope Counseling & Wellness Center, LP	8/2/2022	6,875.00	9/27/2023				6,875.00
Total		<u>\$ 1,872,202.00</u>			<u>\$ -</u>		<u>\$ 38,193.75</u> <u>\$ 1,828,989.40</u>

TOMBALL ECONOMIC DEVELOPMENT CORPORATION

QUARTERLY INVESTMENT REPORT

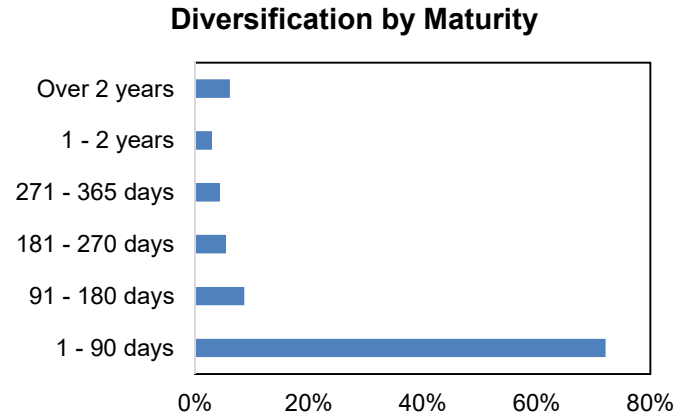
September 30, 2022

	Market Value		
	6/30/2022	9/30/2022	Change
Cash	\$ 168,478	\$ 233,356	\$ 64,878
Investment Pools	14,803,198	16,067,157	1,263,959
Securities	6,712,804	6,282,515	(430,289)
Total Portfolio	\$ 21,684,480	\$ 22,583,028	\$ 898,548



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	\$ 16,300,513	72%
91 - 180 days	1,969,489	9%
181 - 270 days	1,235,997	5%
271 - 365 days	998,697	4%
1 - 2 years	680,528	3%
Over 2 years	1,397,804	6%
Total Portfolio	\$ 22,583,028	



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.

K. Tapscott

Katherine Tapscott
Finance Director

**TOMBALL ECONOMIC DEVELOPMENT CORPORATION
INVESTMENTS IN SECURITIES
PORTFOLIO AS OF SEPTEMBER 30, 2022**

SECURITY DESCRIPTION		CUSIP NUMBER	MATURITY DATE	COUPON YIELD	PAR VALUE	MARKET VALUE	DAYS AFTER 09/30/22	INDIVIDUAL MARKET VALUE/TOTAL	WAM DAYS x PERCENT	Callable
1	Dallas TX Refunding	235219MG4	2/15/2023	4.839%	\$ 1,965,000	\$ 1,969,489	138	31.35%	43	Y
2	Univ. of Texas Taxble Refunding	914729SK5	4/15/2023	2.795%	\$ 750,000	\$ 743,887	197	11.84%	23	N
3	Federal Home Loan Bank	3030ASAP4	6/16/2023	2.250%	\$ 500,000	\$ 492,110	259	7.83%	20	Y
4	San Marcos TX Consol ISD Txbl Ref	798781XV7	8/1/2023	4.000%	\$ 1,000,000	\$ 998,697	305	15.90%	48	N
5	Conroe TX Cert of Obl	2083992X2	11/15/2023	5.000%	\$ 415,000	\$ 423,336	411	6.74%	28	N
6	Royce City Tx Cert of Obl	780860MK5	8/15/2024	5.000%	\$ 250,000	\$ 257,192	685	4.09%	28	N
7	Texas State TXBL- Pub Fin Auth	882724GV3	10/1/2024	3.225%	\$ 500,000	\$ 489,039	732	7.78%	57	N
8	Federal Home Loan Bank	3130AMTK8	6/30/2025	1.000%	\$ 1,000,000	\$ 908,765	1,004	14.46%	145	Y
TOTAL				3.514%	\$ 6,380,000	\$ 6,282,515	466	100.00%	393	

TOMBALL ECONOMIC DEVELOPMENT CORPORATION
CASH AND CASH EQUIVALENTS
FOR QUARTER ENDING
September 30, 2022

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	\$ 984,064	\$ 15,083,093	\$ 233,356	\$ 16,300,513	\$ 6,282,515	\$ 22,583,028	
TOTAL	\$ 984,064	\$ 15,083,093	\$ 233,356	\$ 16,300,513	\$ 6,282,515	\$ 22,583,028	