

TOMBALL ECONOMIC DEVELOPMENT CORPORATION

MEMORANDUM

TO: TEDC Board of Directors

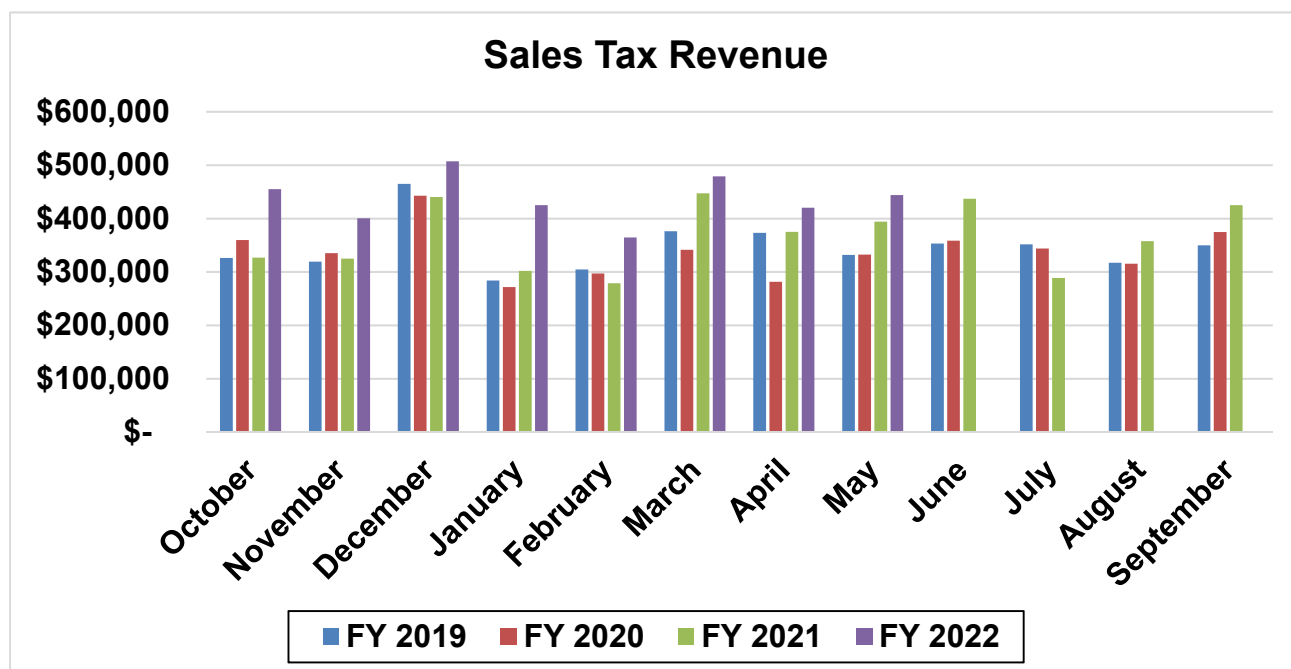
FROM: Katherine DuBose, Finance Director

SUBJECT: Financial Information for Quarter Ending June 30, 2022

DATE: July 12, 2022

Attached is the financial information for the quarter ending June 30, 2022 for the Tomball Economic Development Corporation.

Total year-to-date (YTD) revenues were \$5,619,207, which was \$2,275,707 greater than the budgeted amount of \$3,343,500. YTD sales tax revenues were \$3,495,558, which was \$420,558 greater than the budgeted amount of \$3,075,000. For fiscal year to date, sales tax revenues are up 21% over the previous year on an accrual basis. Since the June sales tax allocation has not been received as of the date of this report, eight (8) months of sales tax collections are included in sales tax revenues. Investment income was \$248,487, which was \$14,013 less than expected for the quarter YTD.



Total administrative expenses for the quarter YTD were \$432,711, which was \$65,238 less than the budgeted amount of \$497,949. Indirect Economic Development costs for the quarter YTD were \$352,075, which was \$165,399 less than the budgeted amount of \$517,474.

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 June 30, 2022, the TEDC had outstanding commitments for Board Approved Grants of \$2,261,166.

The Quarterly Investment Report is also included, which lists the details of the TEDC's investment portfolio. As of June 30, 2022, TEDC's cash and cash equivalents totaled over \$14.9 million. Additionally, TEDC held securities with a total market value of \$6,712,804 as of June 30, 2022.

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07/08/22

Accrual Basis

Tomball Economic Development Corporation Profit & Loss Budget vs. Actual

October 2021 through June 2022

	Oct '21 - Jun 22	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
Lease Revenue	218,968.01			
Miscellaneous	1,264.55			
Sales of Business Park Property	1,646,929.61			
Grants	8,000.00	8,000.00		100.0%
Sales Tax	3,495,557.66	4,100,000.00	-604,442.34	85.3%
Interest	248,487.37	350,000.00	-101,512.63	71.0%
Total Income	5,619,207.20	4,458,000.00	1,161,207.20	126.0%
Gross Profit	5,619,207.20	4,458,000.00	1,161,207.20	126.0%
Expense				
Administrative Expenditures				
Salaries and Benefits				
Benefits-Coordinator	16,225.64	22,077.00	-5,851.36	73.5%
Salary-Coordinator	43,496.68	58,789.00	-15,292.32	74.0%
Overtime	20.55	3,000.00	-2,979.45	0.7%
Benefits-Admin. Asst.	22,792.97	18,529.00	4,263.97	123.0%
Wages-Admin. Asst.	22,307.68	38,000.00	-15,692.32	58.7%
Salary-Executive Director	97,071.66	134,533.00	-37,461.34	72.2%
Salary- Assistant Director	66,303.34	89,892.00	-23,588.66	73.8%
Benefits-Executive Director	34,210.29	47,340.00	-13,129.71	72.3%
Benefits- Assistant Director	35,297.55	45,972.00	-10,674.45	76.8%
Total Salaries and Benefits	337,726.36	458,132.00	-120,405.64	73.7%
Other Personnel Expenditures				
Auto Allowance-Assistant Dir	4,500.00	6,000.00	-1,500.00	75.0%
Phone Allowance- Assistant Dir	675.00	900.00	-225.00	75.0%
Phone Allow.-Exec. Dir.	675.00	900.00	-225.00	75.0%
Auto Allowance-Exec.Director	8,100.00	10,800.00	-2,700.00	75.0%
Dues and Subscriptions	9,113.79	10,000.00	-886.21	91.1%
Seminar/Conference Registration	6,552.00	18,000.00	-11,448.00	36.4%
Travel and Training	9,236.09	30,000.00	-20,763.91	30.8%
Local Travel Expense	72.22	500.00	-427.78	14.4%
Total Other Personnel Expenditures	38,924.10	77,100.00	-38,175.90	50.5%
Service and Supply Expenditures				
Insurance	553.76	15,000.00	-14,446.24	3.7%
Contract Administrative Service	18,750.00	25,000.00	-6,250.00	75.0%
Bank Charges & Postage	1,825.55	3,500.00	-1,674.45	52.2%
Computer Equip. and Maint.	3,060.44	5,000.00	-1,939.56	61.2%
Communications Services	2,821.23	5,200.00	-2,378.77	54.3%
Legal Fees	7,340.50	40,000.00	-32,659.50	18.4%
Lease Expense-GTACC	18,887.65	25,000.00	-6,112.35	75.6%
Office Supplies	2,821.69	10,000.00	-7,178.31	28.2%
Total Service and Supply Expenditures	56,060.82	128,700.00	-72,639.18	43.6%
Total Administrative Expenditures	432,711.28	663,932.00	-231,220.72	65.2%

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Accrual Basis

Tomball Economic Development Corporation Profit & Loss Budget vs. Actual

October 2021 through June 2022

	Oct '21 - Jun 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	691.00	6,500.00	-5,809.00	10.6%
Event Sponsorships	6,560.00	29,000.00	-22,440.00	22.6%
Chamber Guide		8,400.00	-8,400.00	
Marketing	72,255.00	100,000.00	-27,745.00	72.3%
Website and GIS	12,100.00	20,000.00	-7,900.00	60.5%
Professional Services	206,627.93	500,000.00	-293,372.07	41.3%
Miscellaneous	44,565.60	15,000.00	29,565.60	297.1%
Total Indirect Economic Development	352,075.31	689,965.00	-337,889.69	51.0%
City Debt Service				
Medical Complex/Persimmon	222,222.00	222,222.00		100.0%
Business Park Infrastructure	473,356.25	537,663.00	-64,306.75	88.0%
Southside Utility Ext.(2/15/22)	370,000.00	370,000.00		100.0%
Total City Debt Service	1,065,578.25	1,129,885.00	-64,306.75	94.3%
Grants, Loans & Other Exp.				
South Live Oak Redevelopment	58,697.52	4,000,000.00	-3,941,302.48	1.5%
Old Town Facade Grants- Prior Y	88,357.85	200,000.00	-111,642.15	44.2%
Old Town Facade Grants- Current		250,000.00	-250,000.00	
Businesss Park Expenses	84,950.27	300,000.00	-215,049.73	28.3%
Sales Tax Reimb.Grants (380)	66,823.16	55,000.00	11,823.16	121.5%
Business Imp. Grants- Prior Yr.	111,689.96	255,850.00	-144,160.04	43.7%
Business Imp. Grants- Curr. Yr.	71,150.45	350,000.00	-278,849.55	20.3%
Project Grants	218,790.15	2,500,000.00	-2,281,209.85	8.8%
Property Acquisition		2,500,000.00	-2,500,000.00	
Total Grants, Loans & Other Exp.	700,459.36	10,410,850.00	-9,710,390.64	6.7%
Total Expense	2,550,824.20	12,894,632.00	-10,343,807.80	19.8%
Net Ordinary Income	3,068,383.00	-8,436,632.00	11,505,015.00	-36.4%
Net Income	3,068,383.00	-8,436,632.00	11,505,015.00	-36.4%

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Accrual Basis

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

	Oct '21 - Jun 22	Oct '20 - Jun 21	\$ Change	% Change
Ordinary Income/Expense				
Income				
Lease Revenue	218,968.01	0.00	218,968.01	100.0%
Miscellaneous	1,264.55	0.00	1,264.55	100.0%
Sales of Business Park Property	1,646,929.61	662,746.75	984,182.86	148.5%
Grants	8,000.00	16,000.00	-8,000.00	-50.0%
Sales Tax	3,495,557.66	3,192,010.70	303,546.96	9.5%
Interest	248,487.37	259,362.70	-10,875.33	-4.2%
Total Income	5,619,207.20	4,130,120.15	1,489,087.05	36.1%
Gross Profit	5,619,207.20	4,130,120.15	1,489,087.05	36.1%
Expense				
Administrative Expenditures				
Salaries and Benefits				
Benefits-Coordinator	16,225.64	0.00	16,225.64	100.0%
Salary-Coordinator	43,496.68	0.00	43,496.68	100.0%
Overtime	20.55	0.00	20.55	100.0%
Benefits-Admin. Asst.	22,792.97	13,765.76	9,027.21	65.6%
Wages-Admin. Asst.	22,307.68	30,517.72	-8,210.04	-26.9%
Salary-Executive Director	97,071.66	92,591.18	4,480.48	4.8%
Salary- Assistant Director	66,303.34	63,243.80	3,059.54	4.8%
Benefits-Executive Director	34,210.29	34,719.42	-509.13	-1.5%
Benefits- Assistant Director	35,297.55	35,729.20	-431.65	-1.2%
Total Salaries and Benefits	337,726.36	270,567.08	67,159.28	24.8%
Other Personnel Expenditures				
Auto Allowance-Assistant Dir	4,500.00	900.00	3,600.00	400.0%
Phone Allowance- Assistant Dir	675.00	675.00	0.00	0.0%
Phone Allow.-Exec. Dir.	675.00	675.00	0.00	0.0%
Auto Allowance-Exec.Director	8,100.00	5,400.00	2,700.00	50.0%
Dues and Subscriptions	9,113.79	6,094.62	3,019.17	49.5%
Seminar/Conference Registration	6,552.00	8,146.00	-1,594.00	-19.6%
Travel and Training	9,236.09	1,248.75	7,987.34	639.6%
Local Travel Expense	72.22	236.06	-163.84	-69.4%
Total Other Personnel Expenditures	38,924.10	23,375.43	15,548.67	66.5%
Service and Supply Expenditures				
Insurance	553.76	9,847.14	-9,293.38	-94.4%
Contract Administrative Service	18,750.00	18,750.00	0.00	0.0%
Bank Charges & Postage	1,825.55	2,365.26	-539.71	-22.8%
Computer Equip. and Maint.	3,060.44	2,492.92	567.52	22.8%
Communications Services	2,821.23	2,599.75	221.48	8.5%
Legal Fees	7,340.50	29,969.50	-22,629.00	-75.5%
Lease Expense-GTACC	18,887.65	16,349.55	2,538.10	15.5%
Office Supplies	2,821.69	1,770.82	1,050.87	59.3%
Total Service and Supply Expenditures	56,060.82	84,144.94	-28,084.12	-33.4%
Total Administrative Expenditures	432,711.28	378,087.45	54,623.83	14.5%

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Accrual Basis

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

	Oct '21 - Jun 22	Oct '20 - Jun 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	691.00	5,122.72	-4,431.72	-86.5%
Event Sponsorships	6,560.00	5,912.18	647.82	11.0%
Area Street Maps	0.00	3,875.00	-3,875.00	-100.0%
Marketing	72,255.00	77,100.00	-4,845.00	-6.3%
Website and GIS	12,100.00	36,299.00	-24,199.00	-66.7%
Professional Services	206,627.93	135,406.75	71,221.18	52.6%
Miscellaneous	44,565.60	78,092.40	-33,526.80	-42.9%
Total Indirect Economic Development	352,075.31	347,395.60	4,679.71	1.4%
City Debt Service				
Medical Complex/Persimmon	222,222.00	222,222.00	0.00	0.0%
Business Park Infrastructure	473,356.25	467,306.25	6,050.00	1.3%
Southside Utility Ext.(2/15/22)	370,000.00	370,000.00	0.00	0.0%
Total City Debt Service	1,065,578.25	1,059,528.25	6,050.00	0.6%
Grants, Loans & Other Exp.				
South Live Oak Redevelopment	58,697.52	0.00	58,697.52	100.0%
Old Town Facade Grants- Prior Y	88,357.85	38,782.50	49,575.35	127.8%
Businesss Park Expenses	84,950.27	51,119.70	33,830.57	66.2%
Sales Tax Reimb.Grants (380)	66,823.16	50,139.36	16,683.80	33.3%
Business Imp. Grants- Prior Yr.	111,689.96	67,000.13	44,689.83	66.7%
Business Imp. Grants- Curr. Yr.	71,150.45	32,099.35	39,051.10	121.7%
Project Grants	218,790.15	29,343.50	189,446.65	645.6%
Property Acquisition	0.00	1,972,739.93	-1,972,739.93	-100.0%
Total Grants, Loans & Other Exp.	700,459.36	2,241,224.47	-1,540,765.11	-68.8%
Total Expense	2,550,824.20	4,026,235.77	-1,475,411.57	-36.6%
Net Ordinary Income	3,068,383.00	103,884.38	2,964,498.62	2,853.7%
Other Income/Expense				
Other Income				
Other Income				
Unrealized Gains/Losses on Inv.	-363,455.06	-190,172.60	-173,282.46	-91.1%
Other Income - Other	15,563.53	0.00	15,563.53	100.0%
Total Other Income	-347,891.53	-190,172.60	-157,718.93	-82.9%
Total Other Income	-347,891.53	-190,172.60	-157,718.93	-82.9%
Net Other Income	-347,891.53	-190,172.60	-157,718.93	-82.9%
Net Income	2,720,491.47	-86,288.22	2,806,779.69	3,252.8%

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Accrual Basis

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

	Jun 30, 22	Jun 30, 21	\$ Change	% Change
ASSETS				
Current Assets				
Checking/Savings				
Wells Fargo, checking	168,478.39	352,696.14	-184,217.75	-52.2%
TexasCLASS	978,629.48	975,970.85	2,658.63	0.3%
TexPool	13,824,568.32	7,005,152.14	6,819,416.18	97.4%
Total Checking/Savings	14,971,676.19	8,333,819.13	6,637,857.06	79.7%
Accounts Receivable				
Accounts Receivable - Other	369,373.39	0.00	369,373.39	100.0%
Accounts Receivable	454,171.01	700,474.95	-246,303.94	-35.2%
Total Accounts Receivable	823,544.40	700,474.95	123,069.45	17.6%
Other Current Assets				
Investment Securities	6,712,803.93	9,815,701.53	-3,102,897.60	-31.6%
Total Other Current Assets	6,712,803.93	9,815,701.53	-3,102,897.60	-31.6%
Total Current Assets	22,508,024.52	18,849,995.61	3,658,028.91	19.4%
Fixed Assets				
Buildings and Improvements				
Accumulated Depreciation	-313,940.00	-104,057.00	-209,883.00	-201.7%
Buildings and Improvements - Other	4,233,067.57	4,162,267.57	70,800.00	1.7%
Total Buildings and Improvements	3,919,127.57	4,058,210.57	-139,083.00	-3.4%
Land	3,871,114.37	1,977,831.83	1,893,282.54	95.7%
Total Fixed Assets	7,790,241.94	6,036,042.40	1,754,199.54	29.1%
TOTAL ASSETS	30,298,266.46	24,886,038.01	5,412,228.45	21.8%
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
Accounts Payable	206,275.29	186,386.32	19,888.97	10.7%
Total Accounts Payable	206,275.29	186,386.32	19,888.97	10.7%
Other Current Liabilities				
Refundable Deposit	10,869.00	0.00	10,869.00	100.0%
Total Other Current Liabilities	10,869.00	0.00	10,869.00	100.0%
Total Current Liabilities	217,144.29	186,386.32	30,757.97	16.5%
Total Liabilities	217,144.29	186,386.32	30,757.97	16.5%

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Accrual Basis

Tomball Economic Development Corporation

Balance Sheet Prev Year Comparison

As of June 30, 2022

	Jun 30, 22	Jun 30, 21	\$ Change	% Change
Equity				
Fund Balance				
Assigned Fund Balance	0.00	68,814.64	-68,814.64	-100.0%
Board Approved Grants	2,261,166.25	1,915,178.00	345,988.25	18.1%
Fund Balance - Other	24,848,629.79	23,230,878.27	1,617,751.52	7.0%
Total Fund Balance	27,109,796.04	25,214,870.91	1,894,925.13	7.5%
Retained Earnings	250,834.66	-428,931.00	679,765.66	158.5%
Net Income	2,720,491.47	-86,288.22	2,806,779.69	3,252.8%
Total Equity	30,081,122.17	24,699,651.69	5,381,470.48	21.8%
TOTAL LIABILITIES & EQUITY	30,298,266.46	24,886,038.01	5,412,228.45	21.8%

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

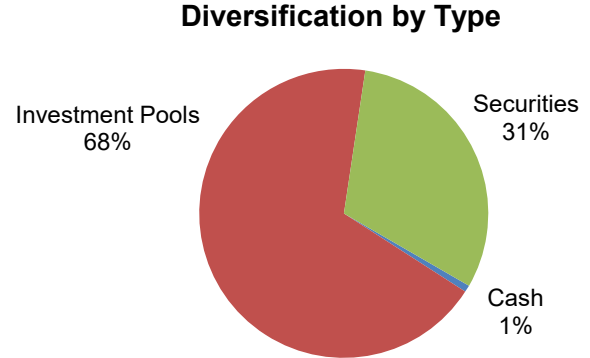
GRANTEE	APPROVED		EXPIRATION DATE	ADDITIONS/DELETIONS		PAID		REMAINING AMOUNT
	DATE	AMOUNT		DATE	AMOUNT	DATE	AMOUNT	
Dancing Falls Development, LLC	11/14/2017	50,925.00				1/14/2020	15,277.50	
						3/5/2021	5,092.50	
						9/1/2021	12,731.25	
						3/22/2022	5,092.50	12,731.25
ARC Management, LLC	5/15/2018	186,700.00						186,700.00
Shri Vinayak LLC (Days Inn)	11/13/2018	149,750.00	7/12/2022					149,750.00
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	8/3/2022					84,894.00
CCJ Collaborations, LLC	8/11/2020	254,502.00	10/18/2022					254,502.00
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
B. Smittys, LLC	3/9/2021	30,301.00	11/4/2022					30,301.00
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
Beefy Marketing	7/13/2021	6,000.00	8/7/2022					6,000.00
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						40,545.00
Total		<u>\$ 2,299,360.00</u>			<u>\$ -</u>		<u>\$ 38,193.75</u>	<u>\$ 2,261,166.25</u>

TOMBALL ECONOMIC DEVELOPMENT CORPORATION

QUARTERLY INVESTMENT REPORT

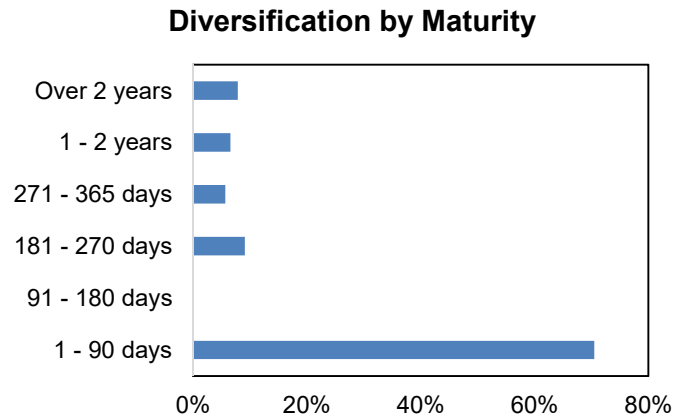
June 30, 2022

	Market Value		
	3/31/2022	6/30/2022	Change
Cash	\$ 449,860	\$ 168,478	\$ (281,382)
Investment Pools	13,389,011	14,803,198	1,414,187
Securities	6,991,091	6,712,804	(278,287)
Total Portfolio	\$ 20,829,962	\$ 21,684,480	\$ 854,518



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	\$ 15,297,727	71%
91 - 180 days	-	0%
181 - 270 days	1,989,724	9%
271 - 365 days	1,245,088	6%
1 - 2 years	1,441,294	7%
Over 2 years	1,710,648	8%
Total Portfolio	\$ 21,684,480	



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 DuBose
Finance Director

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

SECURITY DESCRIPTION		CUSIP NUMBER	MATURITY DATE	COUPON YIELD	PAR VALUE	MARKET VALUE	DAYS AFTER 06/30/22	INDIVIDUAL MARKET VALUE/TOTAL	WAM DAYS x PERCENT	Callable
1	Eagle Mtn & Saginaw ISD	269696NU0	8/15/2022	5.000%	\$ 325,000	\$ 326,051	46	4.86%	2	N
2	Dallas TX Refunding	235219MG4	2/15/2023	4.839%	\$ 1,965,000	\$ 1,989,724	230	29.64%	68	Y
3	Univ. of Texas Taxble Refunding	914729SK5	4/15/2023	2.795%	\$ 750,000	\$ 748,314	289	11.15%	32	N
4	Federal Home Loan Bank	3030ASAP4	6/16/2023	2.250%	\$ 500,000	\$ 496,774	351	7.40%	26	Y
5	San Marcos TX Consol ISD Txbl Ref	798781XV7	8/1/2023	4.000%	\$ 1,000,000	\$ 1,008,576	397	15.02%	60	N
6	Conroe TX Cert of Obl	2083992X2	11/15/2023	5.000%	\$ 415,000	\$ 432,718	503	6.45%	32	N
7	Royce City Tx Cert of Obl	780860MK5	8/15/2024	5.000%	\$ 250,000	\$ 264,138	777	3.93%	31	N
8	Texas State TXBL- Pub Fin Auth	882724GV3	10/1/2024	3.225%	\$ 500,000	\$ 499,578	824	7.44%	61	N
9	Federal Home Loan Bank	3130AMTK8	6/30/2025	1.000%	\$ 1,000,000	\$ 946,932	1,096	14.11%	155	Y
TOTAL				3.679%	\$ 6,705,000	\$ 6,712,804	501	100.00%	467	

TOMBALL ECONOMIC DEVELOPMENT CORPORATION
CASH AND CASH EQUIVALENTS
FOR QUARTER ENDING
June 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	\$ 978,629	\$ 13,824,568	\$ 168,478	\$ 14,971,676	\$ 6,712,804	\$ 21,684,480	
TOTAL	\$ 978,629	\$ 13,824,568	\$ 168,478	\$ 14,971,676	\$ 6,712,804	\$ 21,684,480	