

**CITY OF THE COLONY  
2008-2009  
ANNUAL BUDGET**

***ECONOMIC DEVELOPMENT***

**TOM TERRALL**  
*Economic Development Director*

## **ECONOMIC DEVELOPMENT CORPORATION – 4A**

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.

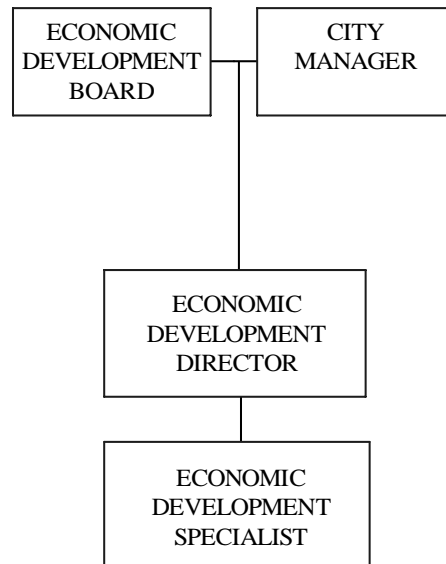
The Colony Economic Development Corporation's mission is, "To support quality commercial development activities that generate local employment and enhance the economic well being of The Colony." To accomplish this mission the EDC focuses on recruitment of retail, corporate office development and warehouse/distribution 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 2008-2009 budget year is included on the following pages.

# ECONOMIC DEVELOPMENT ORGANIZATIONAL CHART 2008-2009 BUDGET



**ECONOMIC DEVELOPMENT - 4A SALES TAXES**  
**Revenue & Expenditure Projections**  
**For Revised 2007-2008 & 2008-2009 Budget Year**

	2004-2005	2005-2006	2006-2007	2007-2008	2007-2008	2008-2009
	Actual	Actual	Actual	Budget	Revised	Budget
<b>CITY SALES TAXES:</b>						
Sales Tax Revenues	1,167,038	1,329,558	1,394,327	1,400,000	1,400,000	1,498,000
Investment Income	81,486	254,726	288,508	180,000	180,000	100,000
Miscellaneous Revenue	261	13,932	-	-	-	-
Net Proceeds of Debt Issuance	-	2,877,024	-	-	-	-
<b>TOTAL REVENUES</b>	<b>1,248,785</b>	<b>4,475,240</b>	<b>1,682,835</b>	<b>1,580,000</b>	<b>1,580,000</b>	<b>1,598,000</b>
<b>TRANSFERS IN:</b>						
Transfer from Capital Projects Special Fund	-	-	-	-	-	-
<b>TOTAL REVENUES/TRANSFER</b>	<b>1,248,785</b>	<b>4,475,240</b>	<b>1,682,835</b>	<b>1,580,000</b>	<b>1,580,000</b>	<b>1,598,000</b>
<b>EXPENDITURES-OPERATIONAL:</b>						
Personnel Services	211,532	224,826	232,438	252,149	251,832	259,626
Contractual Services	28,817	22,306	39,483	47,310	47,310	59,010
Supplies	3,187	4,609	5,542	8,800	8,800	7,650
Maintenance	-	-	-	500	500	500
Capital Outlay	-	-	3,188	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>243,536</b>	<b>251,741</b>	<b>280,651</b>	<b>308,759</b>	<b>308,442</b>	<b>326,786</b>
<b>EXPENDITURES-ECONOMIC INCENTIVES:</b>						
Marketing	84,623	102,774	91,990	122,350	122,350	130,000
Budget Suites	-	-	-	-	-	-
Home Depot	-	-	-	-	-	-
Billingsley Corporation (Pizza Inn)	-	-	-	-	-	-
Golden Corral	11,818	-	-	-	-	-
Colony Gymnastics(5yrs-25,000)	-	6,266	-	-	-	-
Memorial Drive Participation(200,000)	-	-	-	-	-	-
Christian Community Action	-	-	-	-	-	-
Contingencies	-	-	2,863	20,000	20,000	20,000
Economic Development Incentives	100,000	1,155,610	2,318,804	1,620,000	2,778,838	2,500,000
Sales Tax Rebate	-	46,875	90,000	100,000	100,000	128,031
Transfer Out - General Fund	-	-	-	-	-	150,000
Transfer Out - Gen Debt. Serv. Fund	47,914	128,666	179,398	179,079	179,079	179,307
<b>TOTAL EXPENDITURES</b>	<b>487,891</b>	<b>1,691,932</b>	<b>2,963,706</b>	<b>2,350,188</b>	<b>3,508,709</b>	<b>3,434,124</b>
<b>EXCESS (DEFICIENCY)</b>	<b>760,894</b>	<b>2,783,308</b>	<b>(1,280,871)</b>	<b>(770,188)</b>	<b>(1,928,709)</b>	<b>(1,836,124)</b>
<b>BEGINNING FUND BALANCE</b>	<b>3,172,626</b>	<b>3,933,520</b>	<b>6,716,828</b>	<b>5,435,957</b>	<b>5,435,957</b>	<b>3,507,248</b>
<b>ENDING FUND BALANCE</b>	<b>3,933,520</b>	<b>6,716,828</b>	<b>5,435,957</b>	<b>4,665,769</b>	<b>3,507,248</b>	<b>1,671,124</b>
<b>RESERVE FOR MARKETING</b>	<b>9,007</b>	<b>40,009</b>	<b>40,009</b>	<b>148,646</b>	<b>148,646</b>	<b>148,646</b>
<b>UNRESERVED FUND BALANCE</b>	<b>3,172,626</b>	<b>3,924,513</b>	<b>6,676,819</b>	<b>4,517,123</b>	<b>3,358,602</b>	<b>1,522,478</b>

Note: Prior year adjustment of \$26,808 for compensated absences was restated in 2004-2005 fiscal year.

<b>PROGRAM DESCRIPTION</b>
<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>

<b>GOALS AND OBJECTIVES</b>
<p><b>Goal:</b> Provide staff support for the EDC board.</p> <p>Objective: Assemble the necessary documentation for the EDC board to make informed decisions.</p>
<p><b>Goal:</b> 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><b>Goal:</b> 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>

<b>PERSONNEL DETAIL</b>	<b>2006-2007 ACTUAL</b>	<b>2007-2008 PROJECTED</b>	<b>2008-2009 BUDGET</b>
Economic Development Director	1	1	1
Economic Development Specialist	1	1	1
<b>DEPARTMENT TOTAL</b>	2	2	2

**COST CENTER: Economic Development**

**FUND: 604 - Economic Development (4A)**

<b>EXPENDITURE SUMMARY</b>	<b>2006-2007 ACTUAL</b>	<b>2007-2008 PROJECTED</b>	<b>2008-2009 BUDGET</b>
Personnel Services	\$ 232,438	\$ 251,832	\$ 259,626
Contractual Services	131,473	169,660	189,010
Supplies	2,952	8,800	7,650
Maintenance	-	500	500
Non-Capital	2,590	-	-
Capital	3,188	-	-
Sundry Charges	2,591,065	3,077,917	2,977,338
<b>DEPARTMENT TOTAL</b>	<b>\$ 2,963,706</b>	<b>\$ 3,508,709</b>	<b>\$ 3,434,124</b>

<b>PERFORMANCE INDICATORS &amp; MEASUREMENTS</b>	<b>2006-2007 ACTUAL</b>	<b>2007-2008 PROJECTED</b>	<b>2008-2009 BUDGET</b>
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 (4A)**

<b>ACCT. NO.</b>	<b>ACCOUNT DESCRIPTION</b>	<b>2006-2007 Actual</b>	<b>2007-2008 Projected</b>	<b>2008-2009 Budget</b>
6109	Merit Increases	\$ -	\$ -	\$ 8,350
6110	Salaries	165,390	171,962	172,518
6111	Salaries, Overtime	1,247	2,000	2,000
6114	Hospitalization Insurance	11,421	12,228	13,113
6115	Social Security Taxes	12,651	12,997	14,247
6117	Retirement Contributions	21,988	23,070	22,960
6118	Uniforms	-	500	500
6120	Private Auto Allowance	3,600	3,600	3,588
6125	Education & Training	4,190	7,750	7,800
6126	Travel Expenses	8,930	13,400	10,200
6127	Dues & Memberships	3,020	4,325	4,350
6210	Professional Services	22,092	22,900	36,100
6211	Legal Services	1,650	10,000	10,000
6213	Contractual Services	1,998	1,950	1,950
6217	Temporary Services	-	2,000	500
6235	Printing Services	12,881	6,250	6,250
6236	Advertising & Notices	330	750	750
6237	Marketing	91,990	122,350	130,000
6244	Telephone Service	423	960	960
6275	Equipment Rental	110	2,500	2,500
6310	Office Supplies	513	1,500	1,000
6311	Copier Supplies	671	1,800	1,800
6312	Computer Supplies	-	600	600

**COST CENTER: Economic Development**

**FUND: 604 - Economic Development (4A)**

<b>ACCT. NO.</b>	<b>ACCOUNT DESCRIPTION</b>	<b>2006-2007 Actual</b>	<b>2007-2008 Projected</b>	<b>2008-2009 Budget</b>
6320	Postage	520	1,550	1,250
6330	Books & Periodicals	368	1,200	1,000
6335	Awards	-	250	300
6340	Fuel & Lubricants	295	300	500
6390	Miscellaneous Supplies	585	1,600	1,200
6430	Office Equipment - Maintenance	-	500	500
6590	Non-Capital Other Equipment	2,590	-	-
6690	Capital Outlay Other Equipment	3,188	-	-
6842	Sales Tax Rebate	90,000	100,000	128,031
6846	Economic Incentives	2,318,804	2,778,838	2,500,000
6847	Contingency	2,863	20,000	20,000
6897	Transfer Out - General Debt Service Fund	179,398	179,079	179,307
6899	Transfer Out - General Fund	-	-	150,000
<b>DEPARTMENT TOTAL</b>		<b>\$ 2,963,706</b>	<b>\$ 3,508,709</b>	<b>\$ 3,434,124</b>