

Management Report

Edinburg Economic Development Corporation
For the period ended March 31, 2019



Prepared on
April 23, 2019

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Edinburg Economic Development Corporation
Statement of Cash Receipts, Disbursements, and Cash Balances - Unrestricted Cash
For the Period Ending Fiscal Year 2019

| | October | November | December | January | February | March | April | May | June | July | August | September | Year-to-Date Actual | Annual Budget | % to Date | Remaining Budget Balance |
|---|----------------|---------------|----------------|----------------|------------------|----------------|----------|----------|----------|----------|----------|-----------|---------------------|------------------|------------|--------------------------|
| CASH RECEIPTS: | | | | | | | | | | | | | | | | |
| 1/2 Cent Sales Tax Revenue | \$ 455,242 | \$ 538,711 | \$ 501,759 | \$ 443,392 | \$ 620,687 | \$ 443,892 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,003,683 | \$ 5,300,000 | 57% | \$ (2,296,317) |
| Lease Payments | 10,575 | 31,174 | 17,333 | 12,008 | 18,091 | 18,142 | - | - | - | - | - | - | 107,323 | 91,050 | 118% | 16,273 |
| Note Receivable Collections (P&I) | - | - | - | - | - | - | - | - | - | - | - | - | - | 520,491 | 0% | (520,491) |
| Sale of Property and Other Revenue | 500 | - | - | - | 1,748 | 250 | - | - | - | - | - | - | 2,498 | - | 0% | 2,498 |
| Reserves for Debt Service: Const. Acct. | - | - | - | - | - | - | - | - | - | - | - | - | - | 25,746 | 0% | (25,746) |
| Reserves for Debt Service: Sinking & Interest | - | - | - | - | - | - | - | - | - | - | - | - | - | 10,607 | 0% | (10,607) |
| Reserves for Debt Service: TX National Arena Show | - | - | - | - | 1,073,752 | - | - | - | - | - | - | - | 1,073,752 | 800,000 | 134% | 273,752 |
| Revenues Transferred for Debt Service | (179,987) | (538,711) | 178,737 | (179,987) | 947,265 | (179,987) | - | - | - | - | - | - | 47,330 | - | 0% | 47,330 |
| TOTAL CASH RECEIPTS | 286,330 | 31,174 | 697,829 | 275,413 | 2,661,543 | 282,297 | - | - | - | - | - | - | 4,234,586 | 6,747,894 | 63% | (2,513,308) |
| CASH DISBURSEMENTS | | | | | | | | | | | | | | | | |
| Personnel Expenses | | | | | | | | | | | | | | | | |
| Salaries | - | - | - | 93,332 | 42,771 | 38,418 | - | - | - | - | - | - | 174,521 | 374,000 | 47% | (199,479) |
| Taxes and Benefits | - | - | - | 40,534 | - | - | - | - | - | - | - | - | 40,534 | 106,154 | 38% | (65,620) |
| Total Personnel Expenses | - | - | - | 133,866 | 42,771 | 38,418 | - | - | - | - | - | - | 215,055 | 480,154 | 45% | (265,099) |
| Operating Expense | | | | | | | | | | | | | | | | |
| Board Expenses | 225 | 115 | 475 | - | 420 | 788 | - | - | - | - | - | - | 2,023 | 2,000 | 101% | (23) |
| Communications/Tele. | 746 | 1,034 | 153 | 593 | 593 | 1,190 | - | - | - | - | - | - | 4,309 | 7,200 | 60% | 2,891 |
| Conference Fees | 555 | 2,250 | 25 | - | 660 | - | - | - | - | - | - | - | 3,490 | 7,000 | 50% | 3,510 |
| Continuing Education | - | - | - | - | - | - | - | - | - | - | - | - | - | 2,500 | 0% | 2,500 |
| Equipment Leasing | 636 | 323 | - | 847 | 309 | 309 | - | - | - | - | - | - | 2,424 | 4,000 | 61% | 1,576 |
| Membership Dues/Subscriptions | - | 395 | - | 680 | 100 | 710 | - | - | - | - | - | - | 1,885 | 5,000 | 38% | 3,115 |
| Miscellaneous Expense | 115 | - | - | - | 1,000 | - | - | - | - | - | - | - | 1,115 | 2,000 | 56% | 885 |
| Furniture, Fixtures, and Equipment | - | - | - | - | - | - | - | - | - | - | - | - | - | 5,000 | 0% | 5,000 |
| Insurance & Bond Expense | - | - | 400 | 400 | - | - | - | - | - | - | - | - | 800 | 800 | 100% | - |
| Computer Software Expense | 18 | 1,559 | - | 18 | 355 | - | - | - | - | - | - | - | 1,950 | 2,000 | 98% | 50 |
| Security Expense | - | 180 | - | - | - | 4,939 | - | - | - | - | - | - | 5,119 | 360 | 1422% | (4,759) |
| Copy Expense | 127 | 117 | 184 | 113 | - | 105 | - | - | - | - | - | - | 646 | 1,800 | 36% | 1,154 |
| File Storage Expense | - | - | 3,456 | - | - | - | - | - | - | - | - | - | 3,456 | 4,500 | 77% | 1,044 |
| Office Supplies | 545 | 541 | 117 | 549 | 310 | 205 | - | - | - | - | - | - | 2,267 | 5,000 | 45% | 2,733 |
| Postage | - | 7 | - | 91 | - | - | - | - | - | - | - | - | 98 | 500 | 20% | 402 |
| Utilities | 626 | 772 | 213 | 416 | 366 | 529 | - | - | - | - | - | - | 2,922 | 5,000 | 58% | 2,078 |
| Travel/Meals & Entertainment | 2,762 | 1,409 | 2,667 | 23 | 333 | 3,159 | - | - | - | - | - | - | 10,353 | 75,000 | 14% | 64,647 |
| Total Operating Expense | 6,355 | 8,702 | 7,690 | 3,730 | 4,446 | 11,934 | - | - | - | - | - | - | 42,857 | 129,660 | 33% | 86,803 |
| Maintenance Expense | | | | | | | | | | | | | | | | |
| Renaissance Industrial Park | 316 | 2,474 | 316 | 316 | 316 | 316 | - | - | - | - | - | - | 4,054 | 6,500 | 62% | 2,446 |
| North Industrial Park | 828 | 1,660 | - | 599 | 1,005 | 2,294 | - | - | - | - | - | - | 6,386 | 15,000 | 43% | 8,614 |
| EEDC Property Maintenance | 455 | 977 | 538 | 235 | 611 | 306 | - | - | - | - | - | - | 3,122 | 4,000 | 78% | 878 |
| Total Maintenance Expense | 1,599 | 5,111 | 854 | 1,150 | 1,932 | 2,916 | - | - | - | - | - | - | 13,562 | 25,500 | 53% | 11,938 |
| Marketing Expense | | | | | | | | | | | | | | | | |
| Marketing Activities | 8,130 | 3,918 | 5,269 | 2,281 | 7,063 | 11,671 | - | - | - | - | - | - | 38,332 | 200,000 | 19% | 161,668 |
| Sponsorships | 7,000 | 10,750 | 250 | 16,450 | 17,910 | 2,500 | - | - | - | - | - | - | 54,860 | 100,000 | 55% | 45,140 |
| Total Marketing Expense | 15,130 | 14,668 | 5,519 | 18,731 | 24,973 | 14,171 | - | - | - | - | - | - | 93,192 | 300,000 | 31% | 206,808 |

Edinburg Economic Development Corporation
Statement of Cash Receipts, Disbursements, and Cash Balances - Unrestricted Cash
For the Period Ending Fiscal Year 2019

| | October | November | December | January | February | March | April | May | June | July | August | September | Year-to-Date Actual | Annual Budget | % to Date | Remaining Budget Balance |
|---|----------------|------------------|----------------|----------------|------------------|----------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------------|------------------|------------|--------------------------|
| Contractual Services | | | | | | | | | | | | | | | | |
| Legislative Coordinator | - | - | - | 6,250 | 6,250 | 6,250 | - | - | - | - | - | - | 18,750 | 100,000 | 19% | 81,250 |
| News Media Services | 4,000 | - | 4,000 | 4,000 | 4,000 | 4,000 | - | - | - | - | - | - | 20,000 | 60,000 | 33% | 40,000 |
| Monterrey Office | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0% | - |
| Accounting | 12,700 | 6,114 | - | 1,000 | 1,000 | 1,000 | - | - | - | - | - | - | 21,814 | 50,000 | 44% | 28,186 |
| Legal | 13,919 | 8,778 | 21,456 | 13,448 | 16,212 | 4,745 | - | - | - | - | - | - | 78,558 | 200,000 | 39% | 121,442 |
| Architectual and Engineering Services | - | - | - | - | - | - | - | - | - | - | - | - | - | 50,000 | 0% | 50,000 |
| Feasibility Studies & Reports | - | 30,000 | 2,600 | 750 | - | 750 | - | - | - | - | - | - | 34,100 | 80,000 | 43% | 45,900 |
| UTRGV/CEED-Technical Assistance | - | - | - | - | - | - | - | - | - | - | - | - | - | 30,000 | 0% | 30,000 |
| Total Contractual Services | 30,619 | 44,892 | 28,056 | 25,448 | 27,462 | 16,745 | - | - | - | - | - | - | 173,222 | 570,000 | 30% | 396,778 |
| Developmental Expenditures | | | | | | | | | | | | | | | | |
| Small Business Program | 15,000 | 3,874 | 15,000 | 9,759 | 5,000 | 7,500 | - | - | - | - | - | - | 56,133 | 120,000 | 47% | 63,867 |
| Economic Development Incentives | 3,000 | 43,000 | - | - | - | - | - | - | - | - | - | - | 46,000 | 721,248 | 6% | 675,248 |
| Other Capital Improvements | | | | | | | | | | | | | | | | |
| GRH Investments | - | - | - | - | 50,000 | - | - | - | - | - | - | - | 50,000 | 100,000 | 50% | 50,000 |
| Qube Hotel/Mariott Signage | - | 50,500 | - | - | - | - | - | - | - | - | - | - | 50,500 | 50,500 | 100% | - |
| Binning Hospitality/Mainstay | - | - | - | - | - | - | - | - | - | - | - | - | - | 25,000 | 0% | 25,000 |
| Vantage Ventures/DPS | - | - | - | - | 102,000 | - | - | - | - | - | - | - | 102,000 | 102,000 | 100% | - |
| Durga Properties | - | - | - | - | - | - | - | - | - | - | - | - | - | 50,000 | 0% | 50,000 |
| Transit Facility | - | - | - | - | - | - | - | - | - | - | - | - | - | 200,000 | 0% | 200,000 |
| Oceangate/Hilton Hotels | - | - | - | - | - | - | - | - | - | - | - | - | - | 250,000 | 0% | 250,000 |
| Haidar/Walk-Ons | - | - | - | - | - | - | - | - | - | - | - | - | - | 50,000 | 0% | 50,000 |
| Total Developmental Expense | 18,000 | 97,374 | 15,000 | 9,759 | 157,000 | 7,500 | - | - | - | - | - | - | 304,633 | 1,668,748 | 18% | 1,364,115 |
| Capital Outlay | | | | | | | | | | | | | | | | |
| Purchase of Property | - | - | - | - | - | - | - | - | - | - | - | - | - | 350,000 | 0% | 350,000 |
| Work In Progress | - | 4,740 | 250 | 900 | - | 2,500 | - | - | - | - | - | - | 8,390 | - | 0% | (8,390) |
| Total Capital Outlay | - | 4,740 | 250 | 900 | - | 2,500 | - | - | - | - | - | - | 8,390 | 350,000 | 2% | 341,610 |
| EEDC Properties | | | | | | | | | | | | | | | | |
| Property Taxes | - | 81,974 | - | 722 | - | - | - | - | - | - | - | - | 82,696 | 110,000 | 75% | 27,304 |
| Debt Service | | | | | | | | | | | | | | | | |
| Ebony Hills Bond/BBVA | - | - | - | - | 247,824 | - | - | - | - | - | - | - | 247,824 | 267,198 | 93% | 19,374 |
| Parks & Rec Bond/BBVA | - | - | - | - | 494,232 | - | - | - | - | - | - | - | 494,232 | 531,624 | 93% | 37,392 |
| Santana Refund Bond/NY Mellon | - | - | - | - | 385,196 | - | - | - | - | - | - | - | 385,196 | 668,603 | 58% | 283,407 |
| Arena Bond Shortage/Wells Fargo | - | - | - | - | 1,073,752 | - | - | - | - | - | - | - | 1,073,752 | 1,073,752 | 100% | - |
| TX Comptroller Sales Tax Reimb. | - | - | - | - | - | - | - | - | - | - | - | - | - | 24,919 | 0% | 24,919 |
| Total Debt Service | - | - | - | - | 2,201,004 | - | - | - | - | - | - | - | 2,201,004 | 2,566,096 | 86% | 365,092 |
| Total EEDC Properties | - | 81,974 | - | 722 | 2,201,004 | - | - | - | - | - | - | - | 2,283,700 | 2,676,096 | 85% | 392,396 |
| Res. For Contingency/Bad Debt | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0% | - |
| TOTAL CASH DISBURSEMENTS | 71,703 | 257,461 | 57,369 | 194,306 | 2,459,588 | 94,184 | - | - | - | - | - | - | 3,134,611 | 6,200,158 | 51% | 2,800,448 |
| INCREASE (DECREASE) IN UNRESTRICTED CASH | 214,627 | (226,287) | 640,460 | 81,107 | 201,955 | 188,113 | - | - | - | - | - | - | 1,099,975 | 547,736 | | |
| Unrestricted Cash, beginning of period | 2,128,422 | 2,343,049 | 2,116,762 | 2,757,222 | 2,838,329 | 3,040,284 | 3,228,397 | 3,228,397 | 3,228,397 | 3,228,397 | 3,228,397 | 3,228,397 | 2,128,422 | | | |
| Unrestricted Cash, January 31 | \$ 2,343,049 | \$ 2,116,762 | \$ 2,757,222 | \$ 2,838,329 | \$ 3,040,284 | \$ 3,228,397 | \$ 3,228,397 | \$ 3,228,397 | \$ 3,228,397 | \$ 3,228,397 | \$ 3,228,397 | \$ 3,228,397 | \$ 3,228,397 | | | |

Edinburg Economic Development Corporation
Statement of Cash Receipts, Disbursements, and Cash Balances - Unrestricted Cash
For the Period Ending Fiscal Year 2019

| | October | November | December | January | February | March | April | May | June | July | August | September | Year-to-Date Actual | Annual Budget | % to Date | Remaining Budget Balance |
|---|---------------------|---------------------|---------------------|------------------|---------------------|---------------------|-------------|----------|-------------|-------------|-------------|-------------|---------------------|---------------|-----------|--------------------------|
| Cash - Restricted & Unrestricted | | | | | | | | | | | | | | | | |
| PCB-Operating - Unrestricted | \$ 2,343,049 | \$ 2,116,764 | \$ 2,757,222 | \$ 2,838,329 | \$ 3,040,284 | \$ 3,228,397 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | | | |
| PCB-Debt Service | 907,641 | 907,641 | 1,267,616 | 1,447,603 | 500,338 | 716,678 | - | - | - | - | - | - | | | | |
| PCB-Revenue Account | - | 538,711 | - | - | - | - | - | - | - | - | - | - | | | | |
| TX National Bank | 1,782,218 | 1,782,218 | 1,782,218 | 1,782,218 | 708,466 | 708,466 | - | - | - | - | - | - | | | | |
| GSB-Debt Service | 1,468,031 | 1,468,031 | 1,468,031 | 1,468,031 | 1,468,031 | 1,468,031 | - | - | - | - | - | - | | | | |
| GSB-Sinking | 10,607 | 10,607 | 10,607 | 10,607 | 10,607 | - | - | - | - | - | - | - | | | | |
| GSB-Construction | 25,746 | 25,746 | 25,746 | 25,746 | 25,746 | - | - | - | - | - | - | - | | | | |
| Total Cash - Restricted & Unrestricted | \$ 6,537,292 | \$ 6,849,718 | \$ 7,311,440 | 7,572,534 | \$ 5,753,472 | \$ 6,121,572 | \$ - | - | \$ - | \$ - | \$ - | \$ - | | | | |

Statement of Net Assets-Supplemental Information

As of March 31, 2019

| | Total |
|---------------------------------------|------------------------|
| ASSETS | |
| Current Assets | |
| Bank Accounts | |
| 1001 Operating Account | |
| 1002 PlainsCapital Bank-Operating | 3,228,397.09 |
| Total 1001 Operating Account | 3,228,397.09 |
| 1005 Restricted Accounts | |
| 1006 PCB-Debt Service Account | 716,678.08 |
| 1008 TX National Bank | 708,466.22 |
| 1009 Greater State-Debt Svc Reserve | 1,468,030.94 |
| Total 1005 Restricted Accounts | 2,893,175.24 |
| Total Bank Accounts | 6,121,572.33 |
| Accounts Receivable | |
| 1200 Accounts Receivable | 859,197.64 |
| Total Accounts Receivable | 859,197.64 |
| Other Current Assets | |
| 1499 Undeposited Funds | 1,900.00 |
| Total Other Current Assets | 1,900.00 |
| Total Current Assets | 6,982,669.97 |
| Fixed Assets | |
| 1505 Buildings | 3,510,343.00 |
| 1525 Furniture & Equipment | 176,435.96 |
| 1545 Land | 6,294,656.00 |
| 1595 Accumulated Depreciation | -1,070,007.96 |
| Total Fixed Assets | 8,911,427.00 |
| Other Assets | |
| 1610 N/R - Santana \$5MM | 4,131,497.02 |
| 1620 N/R - Santana \$10MM | 9,252,361.36 |
| 1630 Allowance for Uncollectibles | -300,000.00 |
| 1980 Deferred Outflow with Pension | 61,793.00 |
| Total Other Assets | 13,145,651.38 |
| TOTAL ASSETS | \$29,039,748.35 |

LIABILITIES AND EQUITY

Liabilities

Current Liabilities

Accounts Payable

| | |
|-----------------------|-----------|
| 2000 Accounts Payable | 76,625.70 |
|-----------------------|-----------|

| | |
|-------------------------------|------------------|
| Total Accounts Payable | 76,625.70 |
|-------------------------------|------------------|

Other Current Liabilities

| | |
|------------------------------------|-----------|
| 2105 Comptroller Sales Tax Current | 33,234.00 |
|------------------------------------|-----------|

| | |
|--------------------------------|------------|
| 2113 2014A Ebony Hills Current | 235,000.00 |
|--------------------------------|------------|

| | |
|--------------------------------|------------|
| 2117 2014B Parks & Rec Current | 465,000.00 |
|--------------------------------|------------|

| | |
|-------------------------|------------|
| 2123 2015 Bonds Current | 100,000.00 |
|-------------------------|------------|

| | |
|---------------------------------|-----------|
| 2350 Accrued Payroll & Benefits | 25,346.28 |
|---------------------------------|-----------|

| | |
|--|-------------------|
| Total Other Current Liabilities | 858,580.28 |
|--|-------------------|

Total Current Liabilities

| |
|-------------------|
| 935,205.98 |
|-------------------|

Long-Term Liabilities

| | |
|----------------------------------|--------------|
| 2513 2014A Ebony Hills Long Term | 1,005,000.00 |
|----------------------------------|--------------|

| | |
|----------------------------------|--------------|
| 2517 2014B Parks & Rec Long Term | 1,995,000.00 |
|----------------------------------|--------------|

| | |
|---------------------------|---------------|
| 2523 2015 Bonds Long Term | 13,235,000.00 |
|---------------------------|---------------|

| | |
|----------------------------|------------|
| 2595 Net Pension Liability | 578,051.00 |
|----------------------------|------------|

| | |
|------------------------------------|----------------------|
| Total Long-Term Liabilities | 16,813,051.00 |
|------------------------------------|----------------------|

Total Liabilities

| |
|----------------------|
| 17,748,256.98 |
|----------------------|

Equity

| | |
|--------------------------------------|---------------|
| 3005 Net Investment & Capital Assets | -8,156,807.00 |
|--------------------------------------|---------------|

| | |
|-------------------|---------------|
| 3100 Fund Balance | 16,844,956.44 |
|-------------------|---------------|

| | |
|-------------------------------|--------------|
| 3150 Bond Reserve Underfunded | 1,341,049.75 |
|-------------------------------|--------------|

| | |
|------------------------|--------------|
| 3200 Retained Earnings | 2,056,657.40 |
|------------------------|--------------|

| | |
|------------|-------------|
| Net Income | -794,365.22 |
|------------|-------------|

| | |
|---------------------|----------------------|
| Total Equity | 11,291,491.37 |
|---------------------|----------------------|

TOTAL LIABILITIES AND EQUITY

| |
|------------------------|
| \$29,039,748.35 |
|------------------------|

A/R Aging Summary-Supplemental Information

As of March 31, 2019

| | Current | 1 - 30 | 31 - 60 | 61 - 90 | 91 and over | Total |
|--------------------|----------------|--------------------|--------------------|--------------------|---------------------|---------------------|
| Dist. de Alimentos | | 1,400.00 | | | | 1,400.00 |
| Nu-Co Tool | | | | | 98,115.28 | 98,115.28 |
| Rogali | | 794.20 | | | | 794.20 |
| Santana Textiles | | 86,748.50 | 86,748.50 | 86,748.50 | 498,642.66 | 758,888.16 |
| TOTAL | \$0.00 | \$88,942.70 | \$86,748.50 | \$86,748.50 | \$596,757.94 | \$859,197.64 |

A/P Aging Summary-Supplemental Information

As of March 31, 2019

| | Current | 1 - 30 | 31 - 60 | 61 - 90 | 91 and over | Total |
|------------------------------------|--------------------|---------------|----------------|----------------|--------------------|--------------------|
| 37-10001-280-NDS Leasing | 323.42 | | | | | 323.42 |
| 37-10001-376-Cris Villarreal, PLLC | 1,018.00 | | | | | 1,018.00 |
| 37-10001-6-KGBT | 1,875.00 | | | | | 1,875.00 |
| 37-11860-American Express | 21,730.28 | | | | | 21,730.28 |
| 37-17000-City of Edinburg | 50,740.13 | | | | | 50,740.13 |
| 37-38373-Oxford, Oxford & Gonzalez | 680.00 | | | | | 680.00 |
| 37-42518-Reliant | 78.87 | | | | | 78.87 |
| 37-44115-Alicia Salinas | 180.00 | | | | | 180.00 |
| TOTAL | \$76,625.70 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$76,625.70 |