

**Notice of Meeting for the
Georgetown Economic Development Corporation
of the City of Georgetown
July 19, 2021 at 4:00 PM
at Georgetown City Hall Community Room, 808 Martin Luther King Jr. St.**

The City of Georgetown is committed to compliance with the Americans with Disabilities Act (ADA). If you require assistance in participating at a public meeting due to a disability, as defined under the ADA, reasonable assistance, adaptations, or accommodations will be provided upon request. Please contact the City Secretary's Office, at least three (3) days prior to the scheduled meeting date, at (512) 930-3652 or City Hall at 808 Martin Luther King Jr. Street, Georgetown, TX 78626 for additional information; TTY users route through Relay Texas at 711.

The Georgetown Economic Development Corporation Board is now meeting in -person with a quorum present and public is welcome to attend. If special accommodations are needed due to COVID-19 and attending virtually is needed, please reach out to the Staff Liaison, Sharon Parker at 512-930-6534 for assistance.

Regular Session

(This Regular Session may, at any time, be recessed to convene an Executive Session for any purpose authorized by the Open Meetings Act, Texas Government Code 551.)

- A Consideration and approval of the May17, 2021 GEDCO minutes - Sharon Parker, Board Liaison.
- B Consideration of the September 1, 2020 financial report - Nathan Parras, Assistant Finance Director
- C Sales Tax Presentation - Nathan Parras, Assistant Finance Director
- D Discussion and possible action to recommend the FY2022 proposed GEDCO budget and administrative services contract – Nathan Parras, Assistant Finance Director
- E Discussion regarding the Staff Report - David Morgan, Georgetown City Manager
- F Action out of Executive Session

Adjournment

Certificate of Posting

I, Robyn Densmore, City Secretary for the City of Georgetown, Texas, do hereby certify that this Notice of Meeting was posted at City Hall, 808 Martin Luther King Jr. Street, Georgetown, TX 78626, a place readily accessible to the general public as required by law, on the _____ day of _____, 2021, at _____, and remained so posted for at least 72 continuous hours preceding the scheduled time of said meeting.

Robyn Densmore, City Secretary

City of Georgetown, Texas
Georgetown Economic Development Corporation
July 19, 2021

SUBJECT:

Consideration and approval of the May17, 2021 GEDCO minutes - Sharon Parker, Board Liaison.

ITEM SUMMARY:

FINANCIAL IMPACT:

N/A

SUBMITTED BY:

Sharon Parker

ATTACHMENTS:

Description		Type
	Minutes	Backup Material

**Minutes of the Meeting of the
Georgetown Economic Development Corporation
City of Georgetown, Texas
May 17, 2021**

The Georgetown Economic Development Corporation of the City of Georgetown, TX, met virtually on Monday March 15, 2021.

Members Present: Barrie Laing, Hugh Brown, Kevin Cummins, Robert Hilton, Ron Garland, Steve Fought,

Members Absent: Rachael Jonrowe

Staff Present: David Morgan, City Manager; Laurie Brewer, Assistant City Manager; Michaela Dollar, Director of Economic Development; Nathan Paras, Assistant Finance Director;; Conchita Gusman, Business Retention Manager, Katherine Clayton, Budget Analyst; Sharon Parker, Board Liaison.

Guest Present:

MINUTES

Meeting called to Order at 4:02 pm

A. Consideration and approval of the March 15, 2021 GEDCO Minutes— Sharon Parker, Board Liaison

Motion to approve by Ron Garland, 2nd by Barrie Laing. Approved 6-0 Rachael Jonrowe absent

B. Review and discussion regarding the Amended Bylaws for GEDCO approved by the City Council on April 23, 2019 – David Morgan, City Manager.

David noted the address needed to be updated, he will send to Legal department to find out if the address can be amended or do they need to be presented to council for the change.

No Action Needed.

C. Review and discussion regarding the City Council Attendance Policy for Board Members – David Morgan, City Manger.

No Action Needed.

D. Review and possible action related to the Day and Time of the GEDCO Board Meetings – David Morgan, City Manger.

No Action Needed.

E. Presentation of Council Goals – David Morgan, City Manger.

Presentation of council goals with Areas of Emphasis – Governance, Growth, Housing, Economic Development, Downtown.

- Governance – confirming council / City manger roles, Equipping the Council to be successful, Communication and Engagement with Citizens and board members
- Growth – Proactively Plan for Growth, Ensure Financial Capacity to Manage Growth, Develop and manae water supply souces and treatment capacity, Maintain high customer service levels
- Housing – Affordable housing, multifamily housing, residential / neighborhood commercial mix in targeted areas, development of executing housing, strong development standards, quality housing products, annexation of development.

- Economic Development – viable workforce development program, industrial and commercial growth, business retention, business recruitment, Foster regional cooperation with area governmental partners.
- Downtown – continued development of downtown, partnerships for downtown

No Action Needed.

F. Consideration of the preliminary financial report for period ending April 30, 2021 - Nathan Parras, Assistant Finance Director

Nathan reviewed the financial report. No action needed

G. Discussion regarding the Staff Report -David Morgan, City Manager

- Performance Agreement Report
- Activity Report
- Other Staff Items

Michaela reviewed the Performance Agreement report and the Activity Report. No action needed.

H. Action out of Executive Session.

No Executive session, no action needed.

Motion to adjourn by Ron Garland, 2nd by Barrie Laing

Meeting adjourned at 5:15 pm

Hugh Brown, Secretary

Kevin Cummins, President

City of Georgetown, Texas
Georgetown Economic Development Corporation
July 19, 2021

SUBJECT:

Consideration of the September 1, 2020 financial report - Nathan Parras, Assistant Finance Director

ITEM SUMMARY:

The corporate bylaws require the Finance Manager to present the monthly financial reports to the Board. Included in these reports will be:

- Financial reports
- Sales Tax revenues
- Monthly expenditures
- Any other relevant financial information

Sales tax revenue is two months in arrears; therefore the revenues reflect only the amount received, not actually earned, as of the report date.

FINANCIAL IMPACT:

N/A

SUBMITTED BY:

Sharon Parker

ATTACHMENTS:

Description	Type
 June Financials and Presentation	Presentation

GEDCO MONTHLY REPORT AS OF JUNE 30, 2021

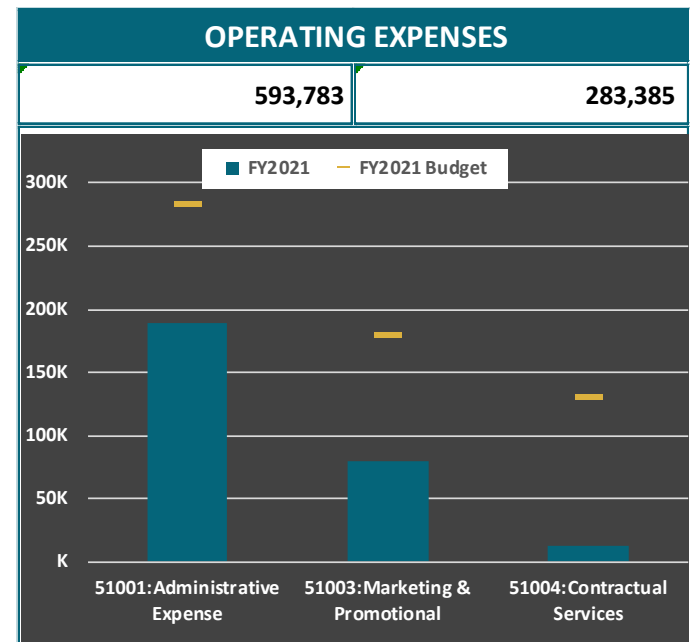
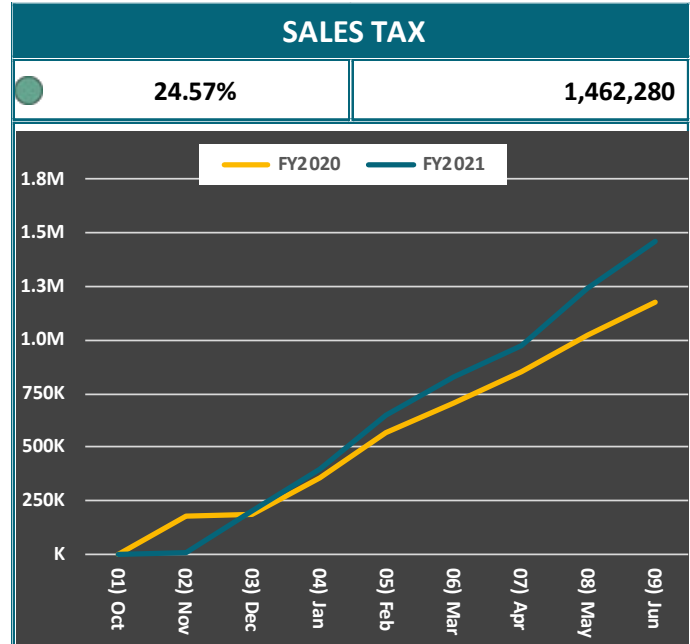
Operating revenue is comprised of sales tax and allocated interest. The budget for sales tax collections for GEDCO is \$2,063,750. Year-to-date sales tax revenue totals \$1,462,280, or 70.86% of budget. Through this period, sales tax collections are up \$288,403, or 24.57% over year-to-date collections from the prior fiscal year. The City continues to see and monitor the strong performance in sales tax.

Operating expenses total \$1,323,469, or 73.77% of budget through the period. Operating expenses include administrative expenses, marketing costs, contractual services, and operating transfers to other City funds. Administrative expenses include the allocation for City staff to support the GEDCO fund. Year-to-date administrative expense total \$189,189, or 66.67% of budget. The GEDCO fund has dedicated funding to market the City for potential economic development. Year-to-date marketing efforts total \$80,503, or 44.72% of budget. Contractual services include \$130,000 budgeted for consulting in FY2021. GEDCO will transfer out \$1,200,169 in FY2021. This includes a transfer out to the Electric fund for GEDCO's portion of the Titan North Park development, and a transfer to the Water fund to pay for debt service.

Non-Operating revenue, which typically includes bond proceeds, is not part of the FY2021 budget. City staff does not intend to issue any new debt for this fund in the current fiscal year.

Non-Operating expense budget totals \$8,346,963. Year-to-date non-operating expenses total \$396,500, or 4.75% of budget through the period. Non-Operating expenses include funding for strategic partnerships and GEDCO's debt service payment. Strategic partnerships include year-to-date expense of \$400,000 for economic incentive agreements. GEDCO's debt service payment includes principal reduction of \$72,830, and an interest expense of \$17,742. The debt service payment for FY2021 has been made and is reflected in this report.

Ending fund balance for FY2021 is anticipated to be \$787,612. After accounting for the contingency reserve of \$505,468, and the debt service reserve of \$202,769, this fund will have an available fund balance of \$79,375.



COG - GEDCO Financial Report

Period: Jun-21

	Budget	Period	YTD Actuals	Budget Vs. Actuals	
	FY2021	Jun-21	YTD Actuals w/Encumbrances	Variance	% Variance

Beginning Fund Balance	8,845,777	8,845,777	8,845,777	-	100.00%
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Operating Revenue

40002:Sales Taxes	2,063,750	223,842	1,462,280	(601,471)	70.86%
42001:Interest Income	19,000	236	22,975	3,975	120.92%
Operating Revenue Total	2,082,750	224,079	1,485,254	(597,496)	71.31%

Operating Expense

Operations	593,783	45	283,385	310,398	47.73%
Transfers	1,200,169	-	1,040,084	160,085	86.66%
Operating Expense Total	1,793,952	45	1,323,469	470,483	73.77%

Total Net Operations	288,798	224,034	161,785	(1,067,979)	56.02%
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Non-Operating Revenue

Non-Operating Expense

Operations	8,256,391	(3,500)	396,500	7,859,891	4.80%
Debt Service	90,572	-	-	90,572	0.00%
Non-Operating Expense Total	8,346,963	(3,500)	396,500	7,950,463	4.75%

Net Non-Operations Total	(8,346,963)	3,500	(396,500)	7,950,463	4.75%
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Excess (Deficiency) of Total Revenue over Total Requirements	(8,058,165)	227,534	(234,715)	(8,292,880)	102.91%
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Ending Fund Balance	787,612	9,073,311	8,611,062	7,823,450	1093.31%
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Reserves

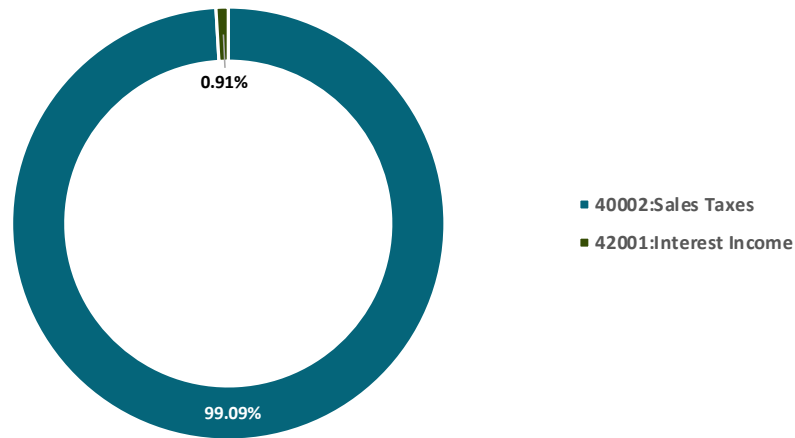
Contingency Reserve	505,468	-	505,468	-	100.00%
Debt Service Reserve	202,769	-	202,769	-	100.00%
Reserves Total	708,237	-	708,237	-	100.00%

Available Fund Balance	79,375		7,902,825	7,823,450	9956.31%
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GEDCO Revenue

- FY2021 Revenue Budget



- Revenue Budget Sources

- The FY2021 revenue budget for the GEDCO is \$2.1 million
- 99% of budgeted revenue is sales tax, \$2.1 million
- Interest Income accounts for \$19,000

GEDCO Revenue

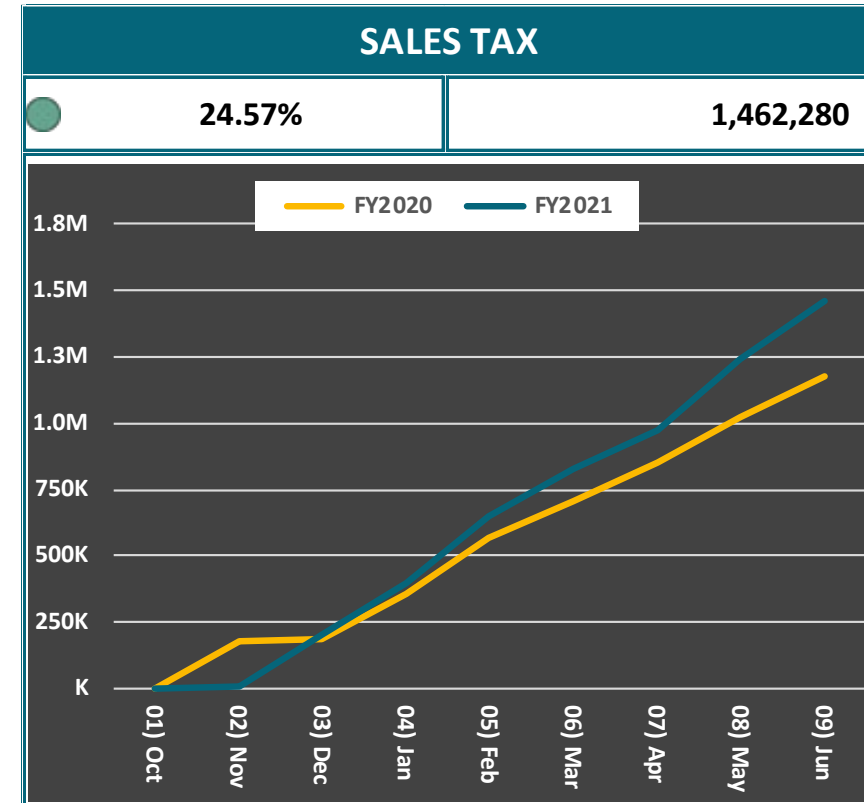
COG - GEDCO Financial Report

Period: Jun-21

	Budget	YTD Comparison				YTD Budget Comparison	
	FY2021	Jun-20	Jun-21	Variance	% Variance	Variance from Budget	% of Budget
Operating Revenue							
40002:Sales Taxes	2,063,750	1,173,877	1,462,280	288,403	24.57%	(601,471)	70.86%
42001:Interest Income	19,000	84,934	22,975	(61,960)	-72.95%	3,975	120.92%
Operating Revenue Total	2,082,750	1,258,811	1,485,254	226,443	17.99%	(597,496)	71.31%

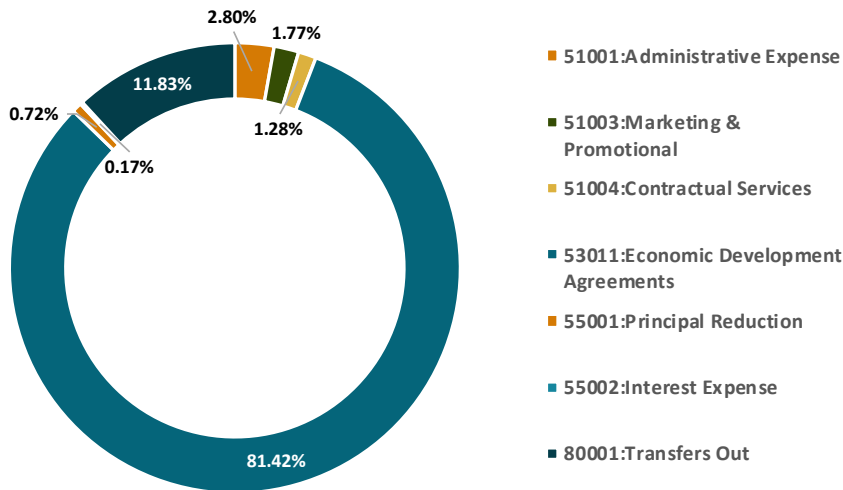
GEDCO Revenue

- Sales Tax
 - Year-to-date sales tax revenue totals \$825,614, 47% of budget
 - FY2021 year-to-date collections are 15% more than FY2020 year-to-date collections
 - There is a two-month lag on sales tax collections.



GEDCO Expense

- FY2021 Expense Budget



- Expense Budget Sources

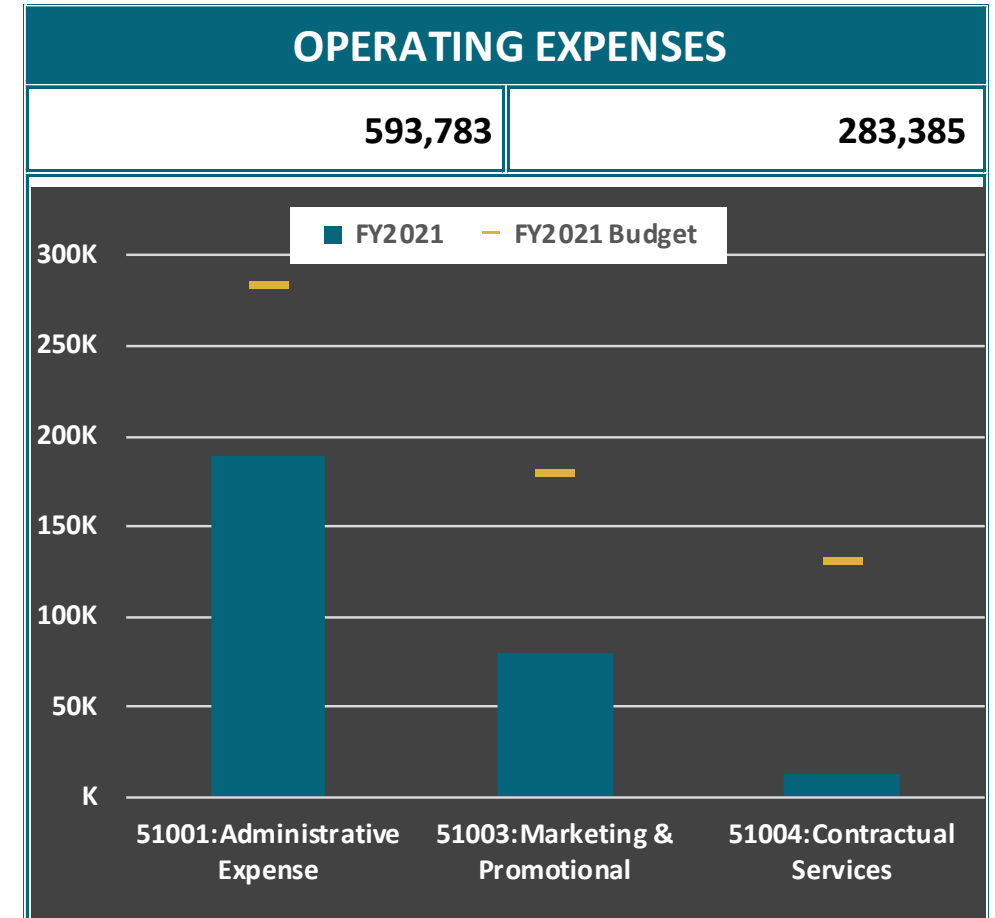
- The FY2021 expense budget for the GEDCO is \$10.1 million
- 81% of budgeted expenses are for Economic Development Agreements
- Administrative expense budget totals \$283,783
- Debt service payment for FY2021 accounts for \$90,752

GEDCO Revenue

COG - GEDCO Financial Report							
Period: Jun-21							
	Budget	YTD Actuals w/Encumbrances Comparison				YTD Budget Comparison	
	FY2021	YTD Actuals w/Encumbrances: Jun-20	YTD Actuals w/Encumbrances: Jun-21	Variance	% Variance	Variance from Budget	% of Budget
Operating Expense							
51001:Administrative Expense	283,783	183,578	189,189	(5,610)	3.06%	94,594	66.67%
51003:Marketing & Promotional	180,000	69,604	80,503	(10,898)	15.66%	99,497	44.72%
51004:Contractual Services	130,000	6,615	12,500	(5,885)	88.96%	117,500	9.62%
51006:Subscriptions	-	10,972	-	10,972	-100.00%	-	0.00%
51010:Legal Services	-	2,493	-	2,493	-100.00%	-	0.00%
53016:Travel Expense	-	92	1,194	(1,102)	1204.51%	(1,194)	0.00%
80001:Transfers Out	1,200,169	41,334	1,040,084	(998,750)	2416.27%	160,085	86.66%
Operating Expense Total	1,793,952	314,688	1,323,469	(1,012,620)	320.57%	470,483	73.77%
Non-Operating Expense							
53009:Strategic Partnership	-	448,316	400,000	48,316	-10.78%	(400,000)	0.00%
53011:Economic Development Agreement	8,256,391	356,235	(3,500)	359,735	-100.98%	8,259,891	-0.04%
55001:Principal Reduction	72,830	-	-	-	0.00%	72,830	0.00%
55002:Interest Expense	17,742	-	-	-	0.00%	17,742	0.00%
Non-Operating Expense Total	8,346,963	804,551	396,500	408,051	-50.72%	7,950,463	4.75%

GEDCO Expense

- Operating Expenses
 - Operating expense budget totals \$1.8 million
 - Administrative Expense: 58.3% of budget
 - Marketing: 47.4% of budget
 - Contractual Services: 10% of budget



Questions

City of Georgetown, Texas
Georgetown Economic Development Corporation
July 19, 2021

SUBJECT:

Sales Tax Presentation - Nathan Parras, Assistant Finance Director

ITEM SUMMARY:

Review of the sales tax methodology and projections.

FINANCIAL IMPACT:

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SUBMITTED BY:

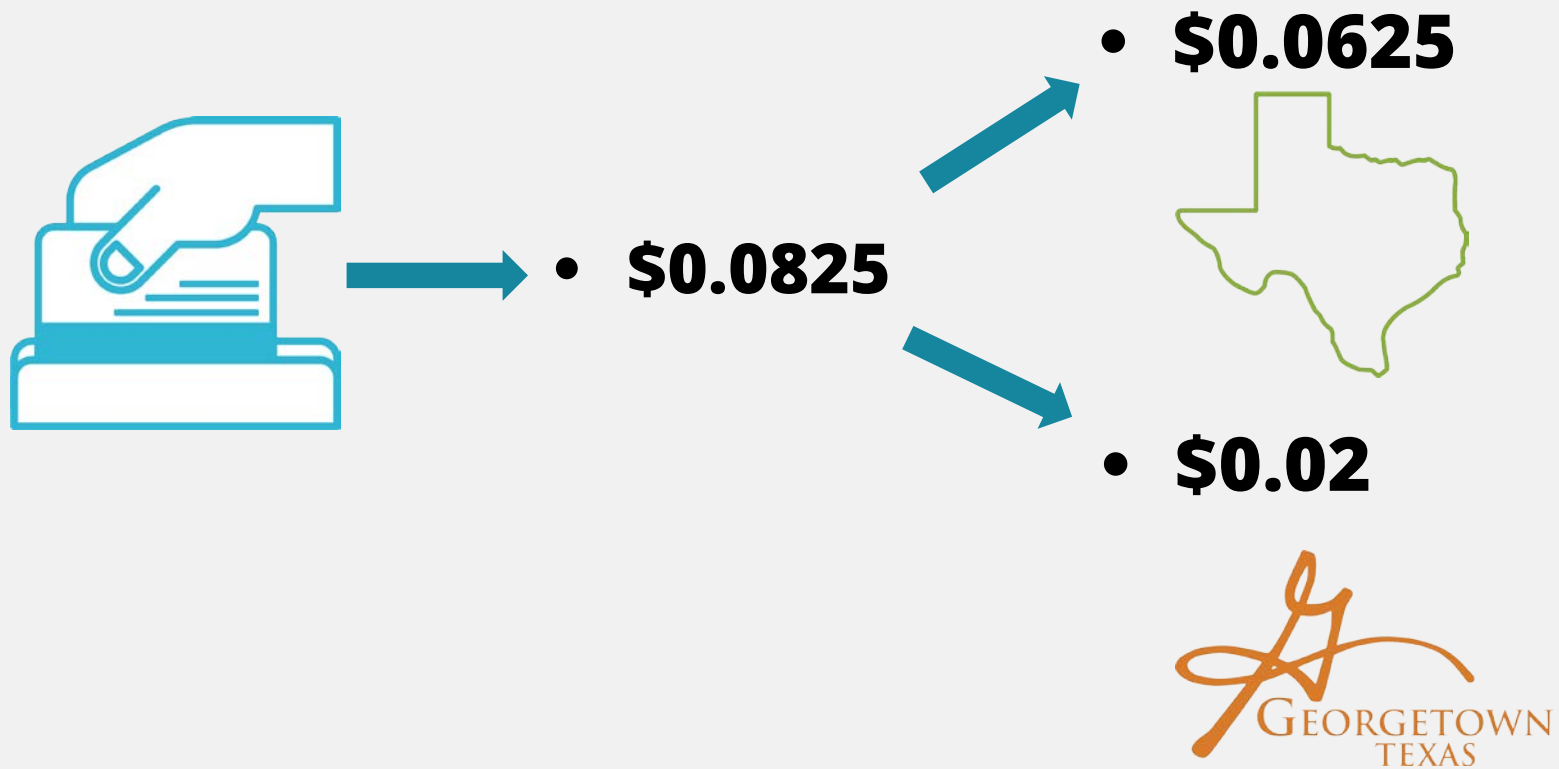
Sharon Parker

ATTACHMENTS:

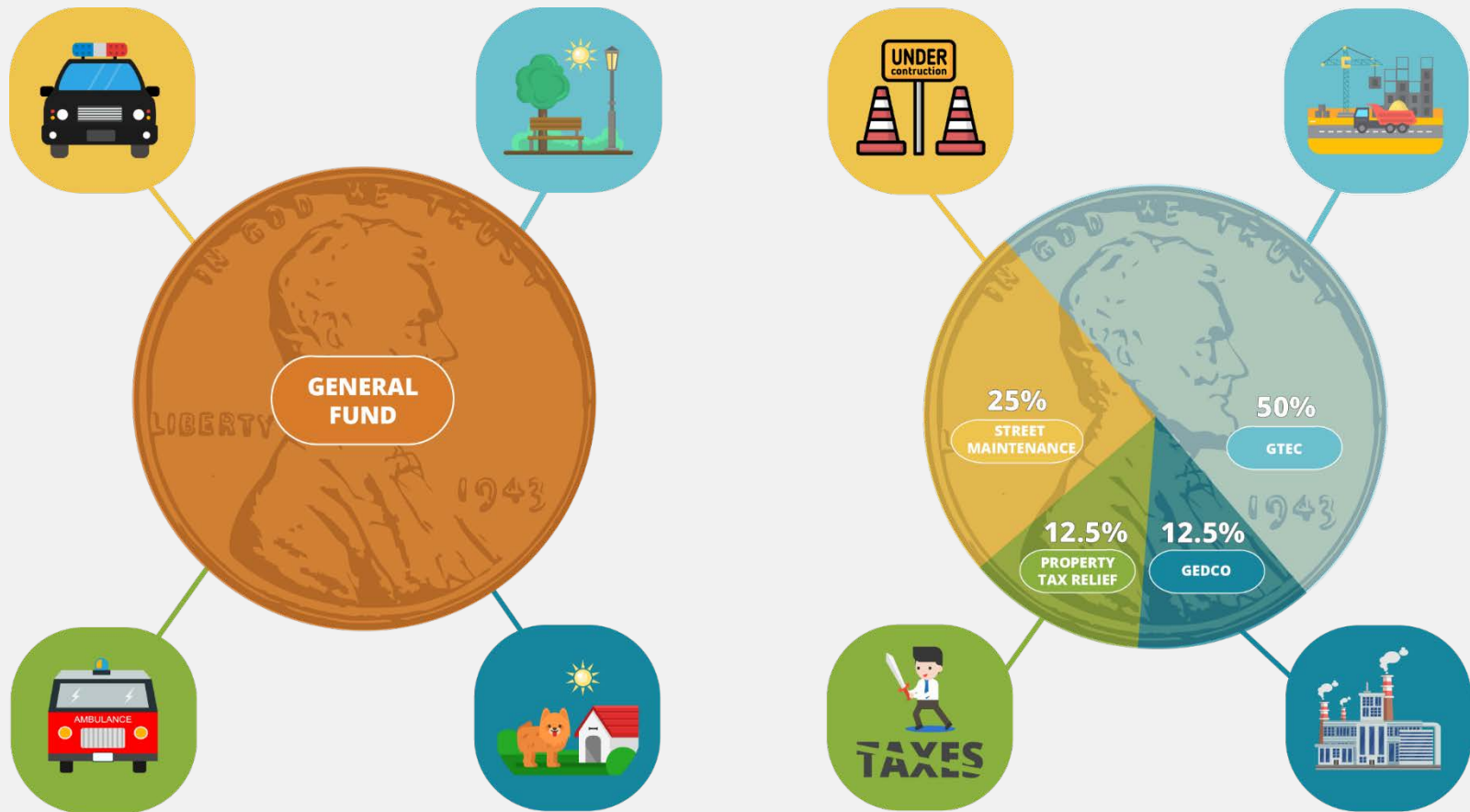
Description		Type
	Sales Tax Presentation	Presentation

Sales Tax Methodology

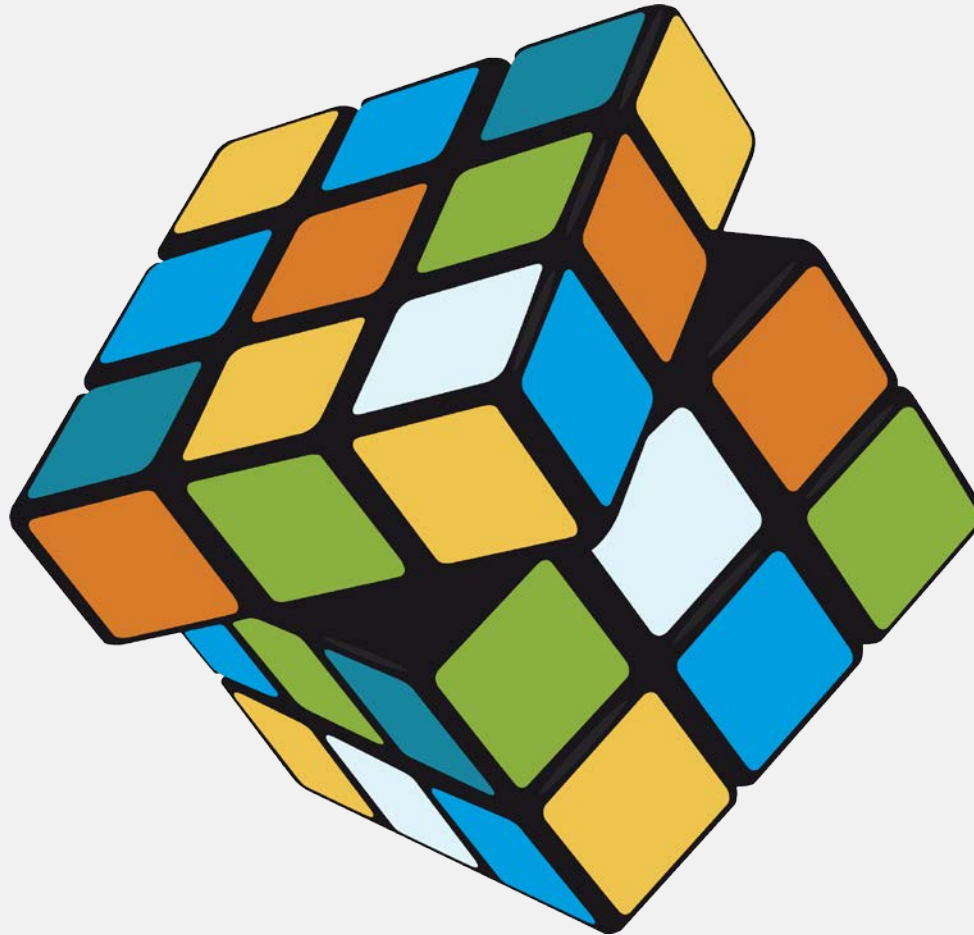
Overview of Sales Tax



Sales Tax Break Down – The City of Georgetown's Two Cents



Sales Tax Model – Shape of Data

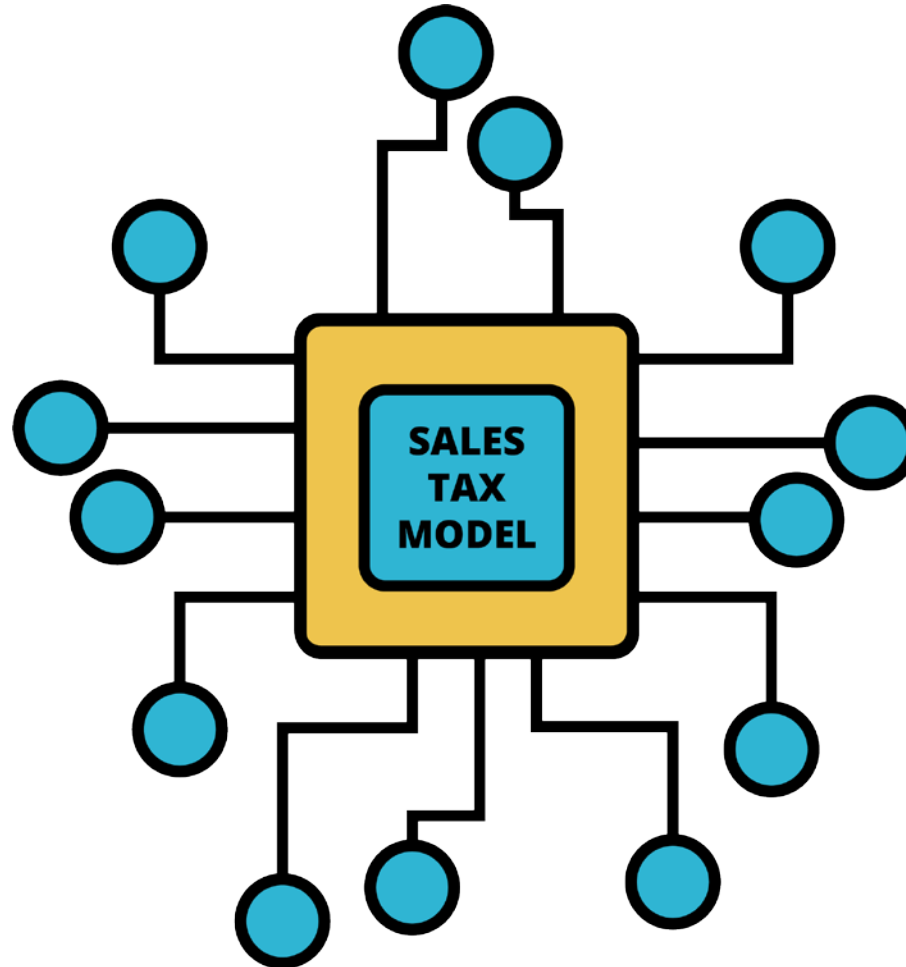


Sales Tax Model – Large Data Sources

- Two Major Sources of Data:
 - Confidential Report from the State Comptrollers Office (200,000 rows of data per month)
 - All Cities Data (230,000 rows of data annually)

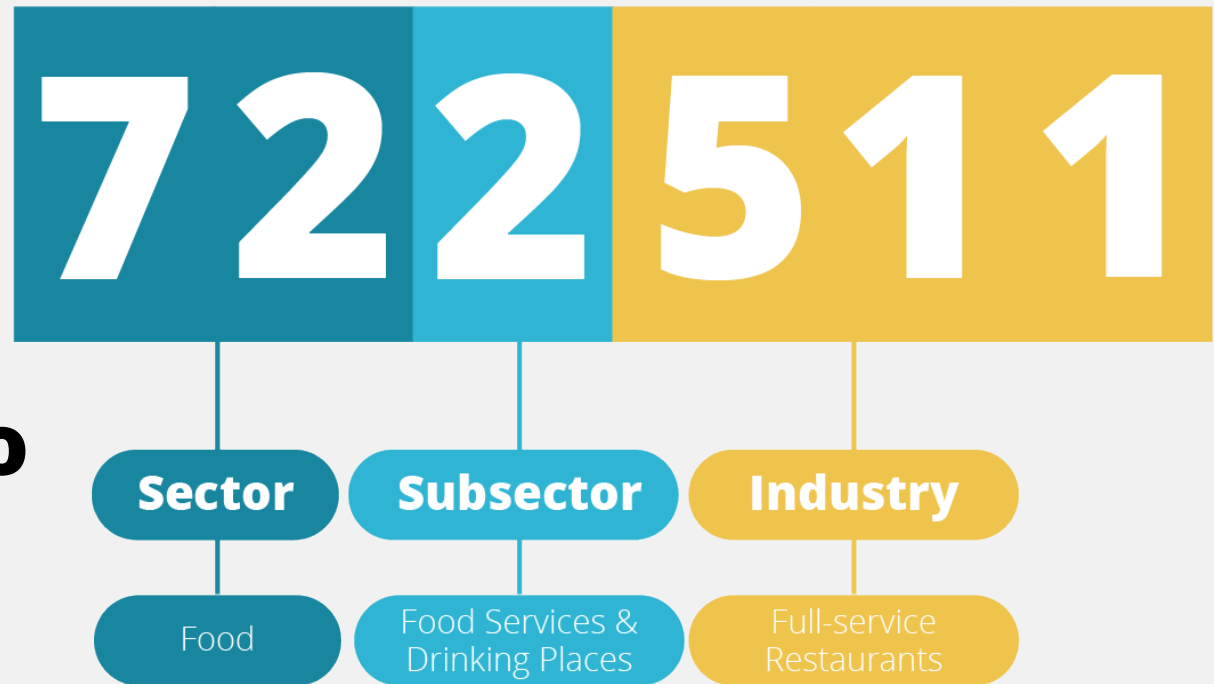


Sales Tax Model – Excel Power Pivot

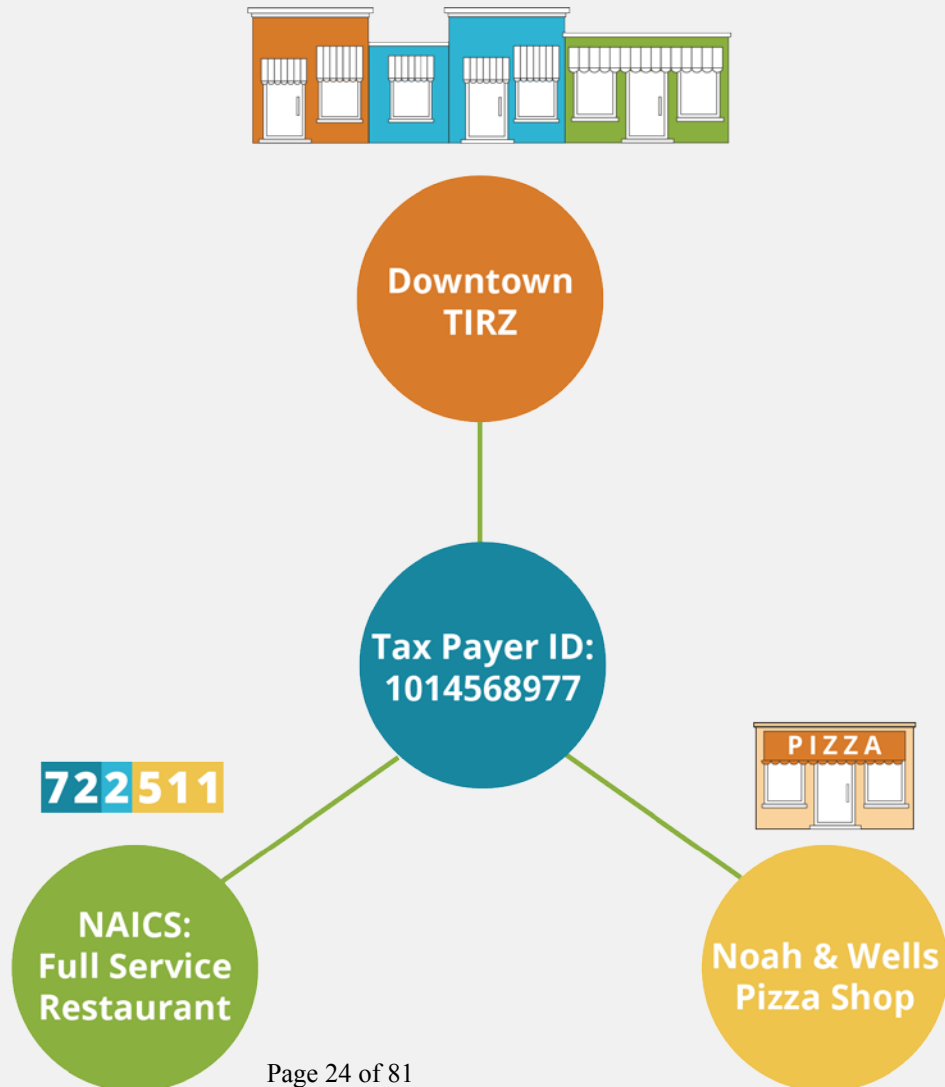


Sales Tax Model - NAICS

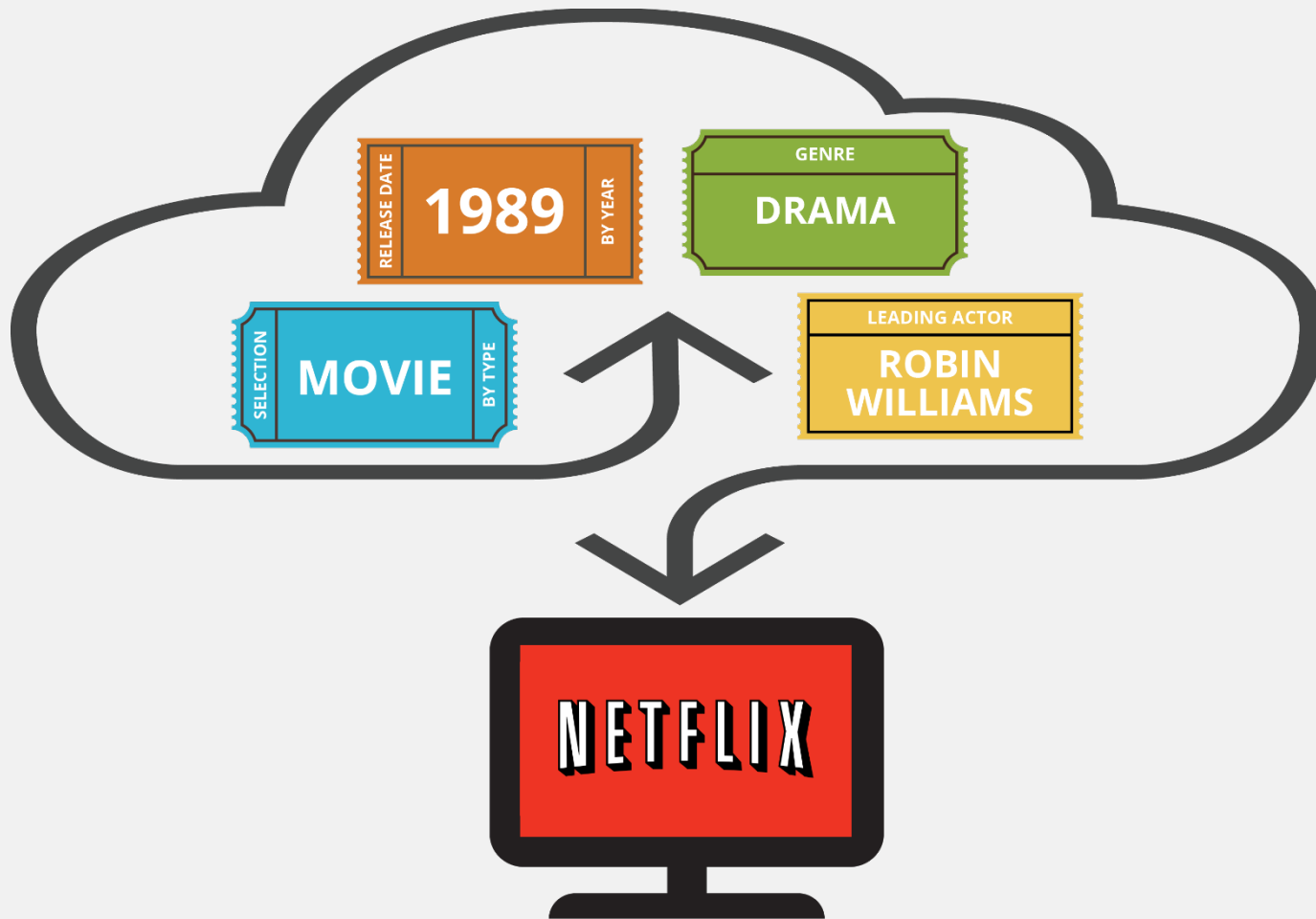
**North
American
Industrial
Classificatio
n
System**



Sales Tax Model - Tables



Sales Tax Model - Slicers



Sales Tax Model - Slicers

Sector

Administrative and ...

Agriculture

Arts, Entertainment,...

City

Construction

Educational

Finance and Insurance

Food

Health Care

Subsector

Accommodation

Administration of E...

Administration of E...

Administration of H...

Administrative and ...

Air Transportation

Ambulatory Health ...

Amusement, Gamb...

Apparel Manufactu...

Beverage and Toba...

Fiscal Year

2011

2012

2013

2014

2015

2016

2017

2018

GT Period

01) Oct

02) Nov

03) Dec

04) Jan

05) Feb

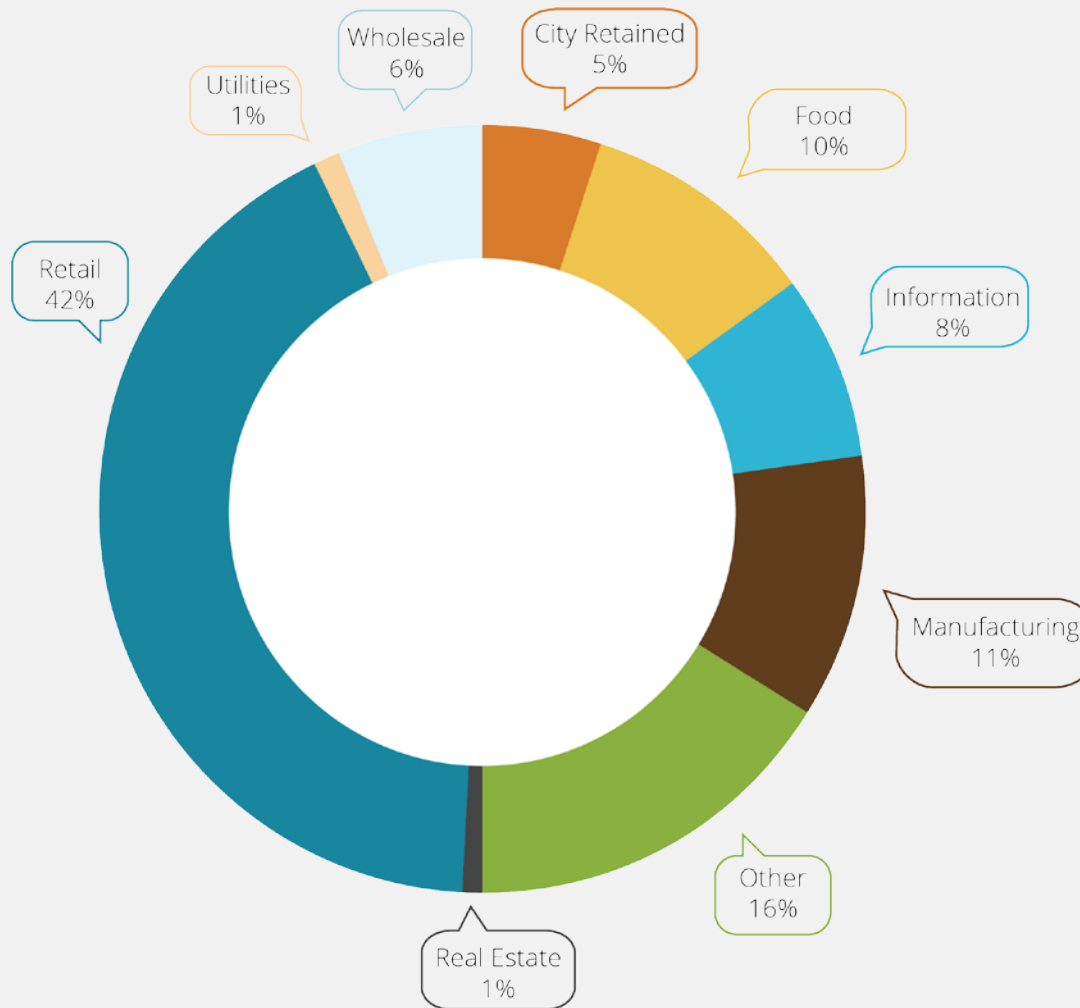
06) Mar

07) Apr

08) May

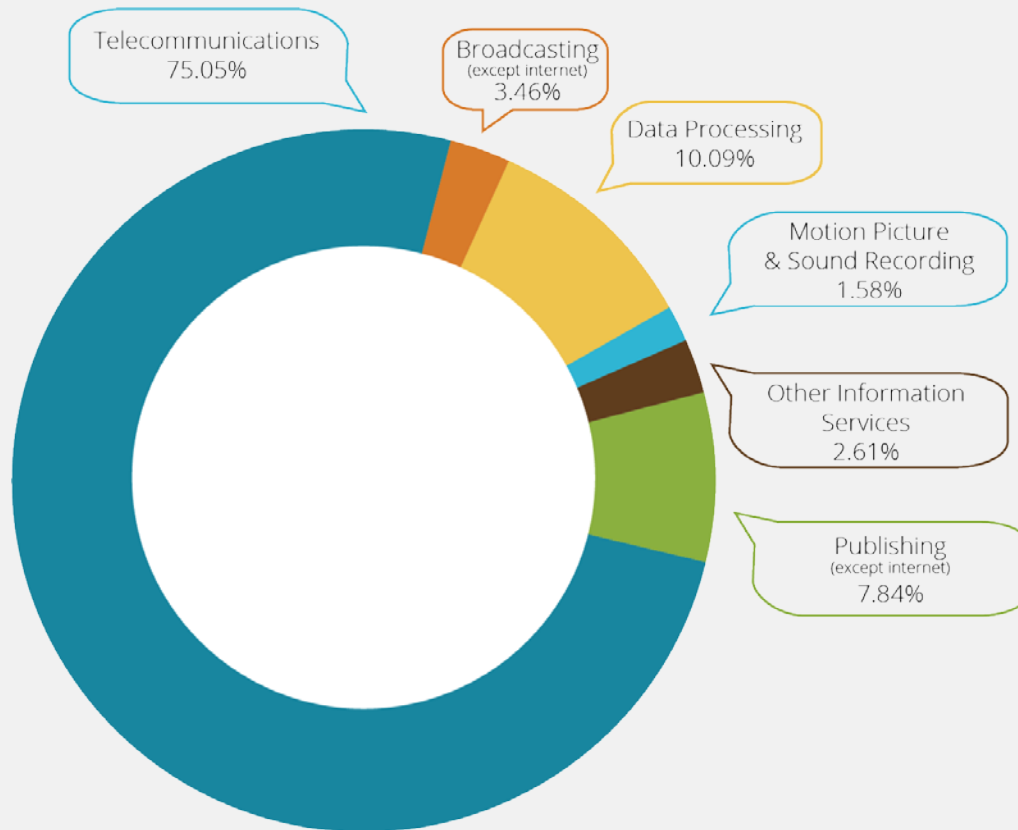
Sum of Sales Tax Revenue				
Column Labels				
Row Labels	2011	2012	2013	
01) Oct		1,137,757.57	1,403,227.99	1
02) Nov	1,247,447.37	1,210,680.94	1,319,755.11	1
03) Dec	1,862,571.57	1,795,704.54	1,862,980.60	2
04) Jan	1,075,141.82	1,174,048.71	1,322,748.61	1
05) Feb	902,353.79	1,186,460.66	1,219,289.54	1
06) Mar	1,742,220.42	1,700,263.27	1,872,467.68	1
07) Apr	1,153,913.52	1,309,428.95	1,357,122.18	1
08) May	1,186,025.98	1,312,732.82	1,538,517.16	1
09) Jun	1,601,667.28	1,605,600.96	1,840,038.02	1
10) Jul	1,118,781.72	1,450,535.59	1,472,600.33	1
11) Aug	1,216,361.31	1,392,247.38	1,535,055.12	1
12) Sep	1,440,117.89	1,417,171.02	2,020,593.60	1
Grand Total	14,546,602.67	16,692,632.41	18,764,395.94	20

Sales Tax Model - Sector



- **FY2020 core sectors - 63%**
 - **Food**
 - **Retail**
 - **Information**

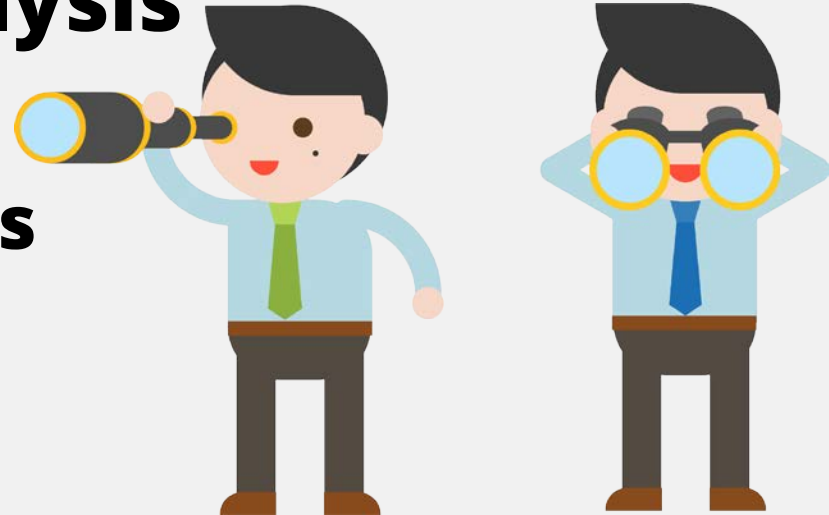
Sales Tax Model - Subsector



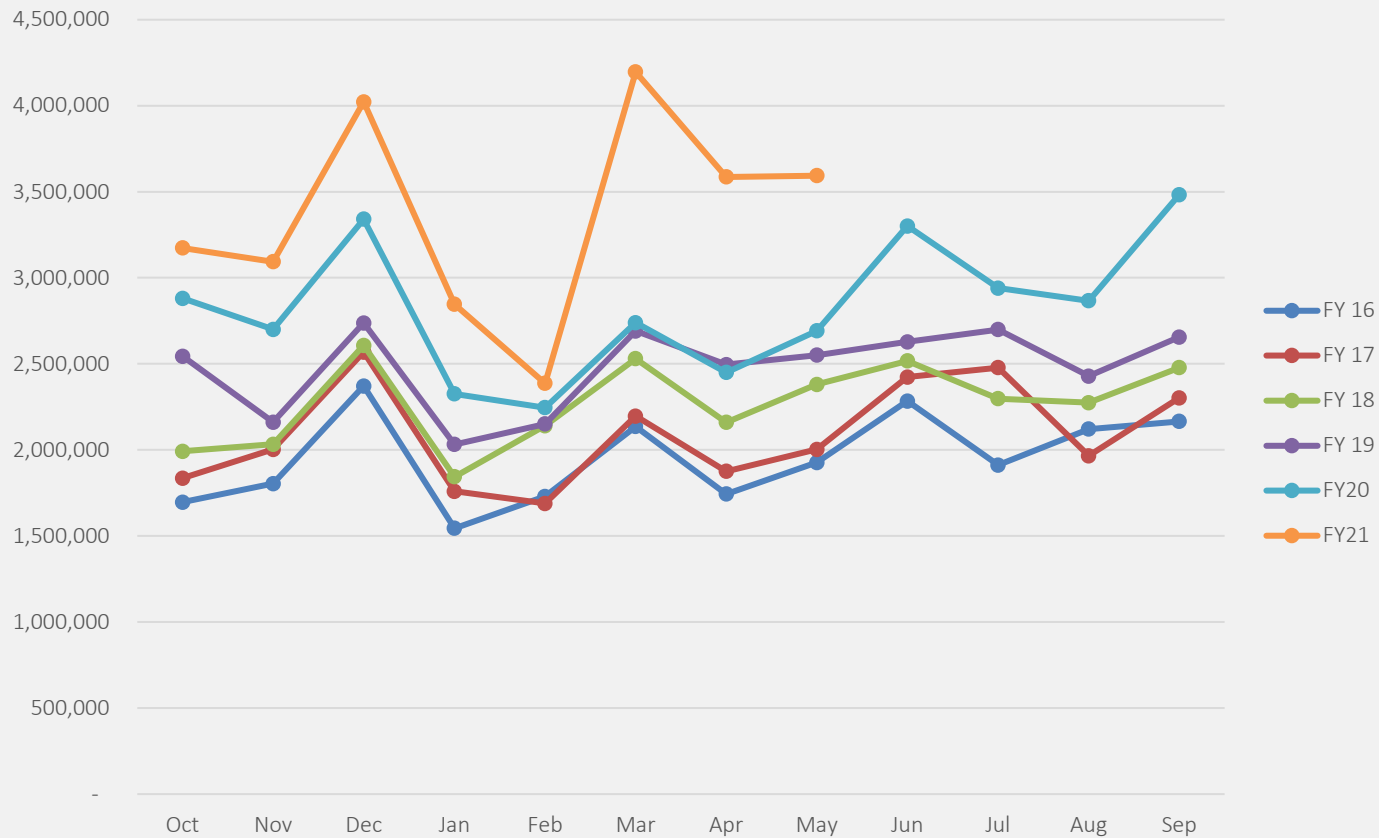
- **Information Subsector**

Forecasting – Multiple Views

- **Different trend analysis**
 - Regression types
 - Different timeframes
- **Correlation Models**
 - Aggregate
 - Sector Based



Forecasting – Consistency in Data



Forecasting - Multiplier

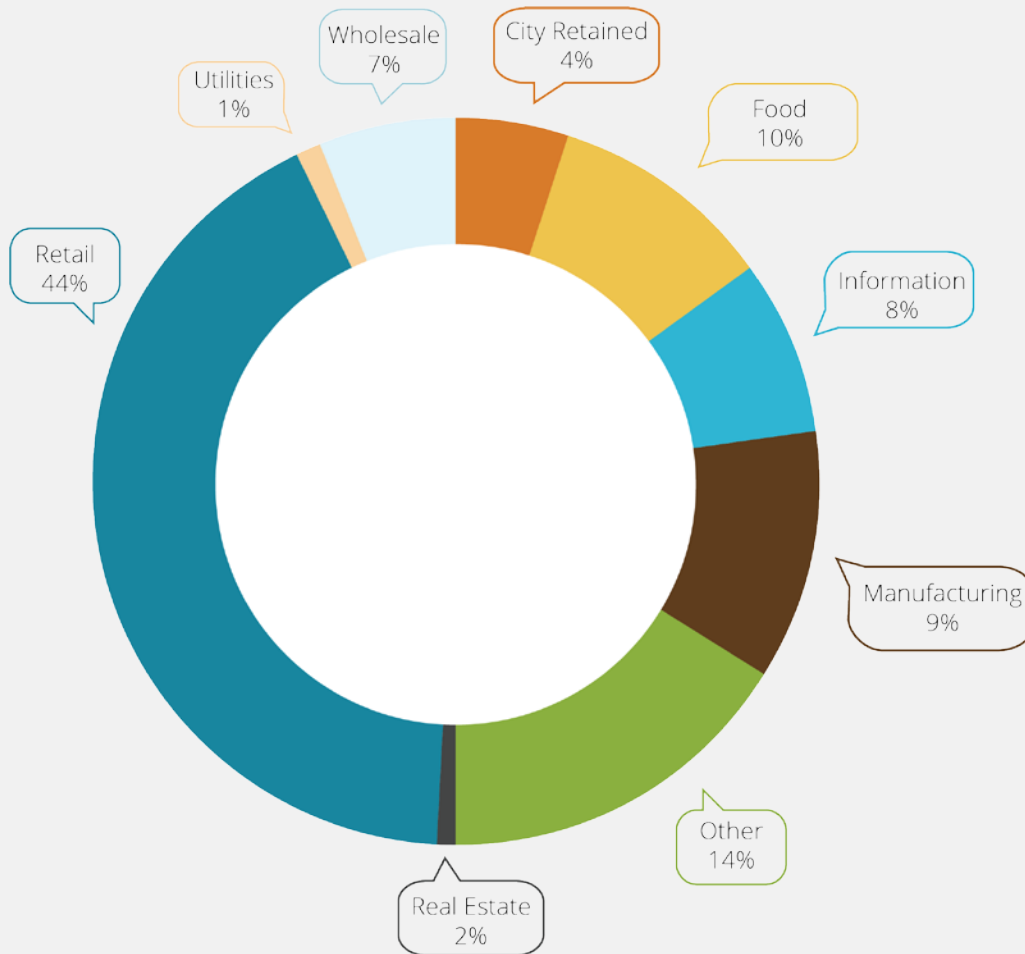
Month	Month %	Running Month %	Multiplier
01) Oct	7.28%	7.28%	13.74
02) Nov	7.25%	14.53%	6.88
03) Dec	10.36%	24.89%	4.02
04) Jan	7.18%	32.07%	3.12
05) Feb	6.77%	38.84%	2.57
06) Mar	9.65%	48.49%	2.06
07) Apr	7.83%	56.32%	1.78
08) May	8.06%	64.38%	1.55
09) Jun	9.80%	74.18%	1.35
10) Jul	8.18%	82.35%	1.21
11) Aug	8.34%	90.69%	1.10
12) Sep	9.31%	100.00%	1.00

Forecasting – Another way to think about this...

Player	Average Points Per Game	% of Total Points	Projected Team Total
Tim Duncan	19	40%	87.5
Tony Parker	15.5	30%	93.3
Manu Ginobili	13.3	27%	88.9



Forecasting – Major Sectors

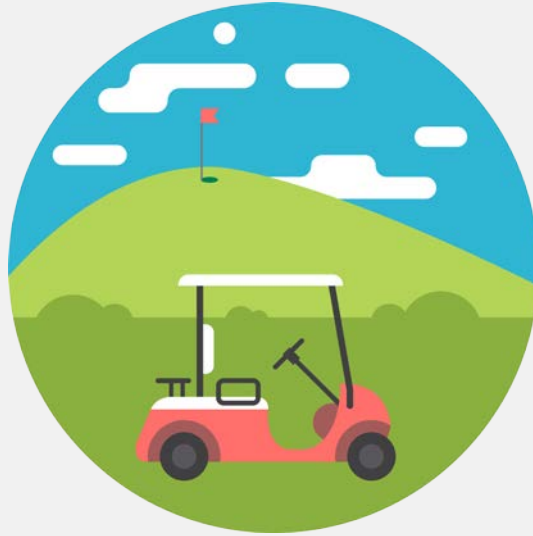


- **Four Year Average of Sectors**
 - **Food**
 - **Retail**
 - **Information**

Forecasting

- **Multi-Level Analysis**
 - **Georgetown Data**
 - **Austin MSA region**
 - **Top Twenty cities in Texas**
 - **Regions in Texas**
 - **All Cities in Texas**

Forecasting – Score Card



Fiscal Year	Actual	Projection	Variance	% Variance
FY2015	\$20,984,850	\$21,000,000	(15,150)	-0.07%
FY2016	\$23,437,496	\$22,900,000	537,496	2.35%
FY2017	\$25,102,936	\$25,300,000	(197,064)	-0.78%
FY2018	\$27,254,787	\$27,100,000	154,787	0.57%
FY2019	\$29,478,587	\$29,750,000	(271,413)	-0.91
FY2020*	\$33,965,302	\$31,900,000	(2,065,302)	-6.08
Total	\$160,223,958	\$157,950,000	(2,273,958)	1.42

Forecasting

- **FY2020: all four-year end models are all in agreement.**
 - **Aggregate Linear 6M 40.2M**
 - **Aggregate Linear 12 M 39.3M**
 - **Aggregate Linear 18M 38.5M**
 - **Correlation 41.6M**

Forecasting

Fund	FY2021 Projection	FY2022 Budget
100 – General Fund	\$22,921,875	\$23,953,359
203 – Street Maintenance Fund	\$5,093,750	\$5,322,969
400 – GTEC Fund	\$10,187,500	\$10,645,938
420 - GEDCO	\$2,546,875	\$2,661,484
Total Sales Tax	\$40,750,000	\$42,583,750

Questions

City of Georgetown, Texas
Georgetown Economic Development Corporation
July 19, 2021

SUBJECT:

Discussion and possible action to recommend the FY2022 proposed GEDCO budget and administrative services contract – Nathan Parras, Assistant Finance Director

ITEM SUMMARY:

The proposed FY2022 GEDCO budget includes projects identified for funding along with administrative costs and total funding requirements.

The proposed FY2022 budget identifies revenues and specific projects planned for the upcoming year, as well as costs associated with past debt issuances.

- Proposed FY2022 Budget Presentation and Fund Schedule
- Proposed FY2022 Administrative Contract

SPECIAL CONSIDERATIONS:

Council is scheduled to act on all components of the FY2022 budget in September 2021.

FINANCIAL IMPACT:

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SUBMITTED BY:

Sharon Parker

ATTACHMENTS:

	Description	Type
☐	Admin Contract	Presentation
☐	FY 2022 GEDCO Budget and Contract	Presentation
☐	FY 2022 GEDCO	Backup Material

ARTICLE I
SCOPE OF SERVICES TO BE PROVIDED BY CITY

The City will furnish items and perform those services for fulfillment of the Contract as identified in the Bylaws of the Corporation.

ARTICLE 2
CONTRACT PERIOD

This Contract shall begin at the start of business on October 1, 2021 and terminate at the close of business on September 30, 2022 unless extended by written supplemental agreement duly executed by the Corporation and the City prior to the date of termination. Any work performed or cost incurred prior to the date of this contract and after establishment of the Corporation, will be reimbursed as in the terms of the Contract.

ARTICLE 3
CONTRACT PRICE

Corporation shall pay City for the services contemplated herein as follows:

1. For all administrative and legal services, the monthly flat fee of \$28,967 as identified in Attachment A.

External third party legal services will be billed separately as needed.

ARTICLE 4
PAYMENT PROCEDURES

The Corporation shall pay the City \$28,967 per month on the first of each month, beginning on October 1, 2021 during the term of this Agreement. In addition, the Corporation shall pay for all external legal or other professional services invoices pursuant to the Article 3 within thirty (30) days of receipt.

ARTICLE 5
OWNERSHIP OF DOCUMENTS

All data, basic sketches, charts, calculations, plans, specifications, and other documents created or collected under the terms of this Contract are the exclusive property of the Corporation and shall be furnished to the Corporation upon request. Release of information to the public shall be subject to and in conformance with the Texas Public Information Act.

ARTICLE 6
SUSPENSION

As authorized by Section 3.08 of the Corporation's Bylaws, the City may suspend services under this Contract without committing a breach of its terms upon the occurrence of any of the following:

(1) The City Manager does not approve of the utilization of any or all services;

- (2) The City Manager feels the City is not receiving reasonable compensation for any or all services; or
- (3) The performance of a service materially interferes with the other duties of the affected City personnel.

ARTICLE 7 TERMINATION

The Contract may be terminated before the stated termination date by any of the following conditions:

- (1) By mutual written agreement and consent; or
- (2) By either party, upon the failure of the other party to fulfill its obligations as set forth herein; or
- (3) By either party for reasons of its own and without the consent of the other party, provided that at least thirty (30) days written notice is provided to the other party.

The termination of this Contract and payment of an amount in settlement as prescribed in Article 3, above shall extinguish all rights, duties, and obligations of the City and the Corporation under this Contract.

ARTICLE 8 INDEMINIFICATION

Corporation's Indemnification. The Corporation agrees, to the extent permitted by law, to save harmless the City and its agents, officers and employees from all claims and liability due to activities of itself, its agents, officers, or employees, performed under this Contract and which are caused by or result from error, omission, or negligent act of the Corporation or of the Corporation's agents, officers, and employees. The Corporation shall also save harmless the City and its agents, officers, and employees from any and all expense, including, but not limited to, attorney fees which may be incurred by the City in litigation or otherwise resisting said claim or liabilities which may be imposed on the City as a result of such activities by the Corporation, its agents, officers, or employees. This indemnity shall not include claims based upon or arising out of the willful misconduct of City, its agents, officers or employees. Further, this indemnity shall not require payment of a claim by City or its agents, officers or employees as a condition precedent to City's recovery under this provision.

City's Indemnification. The City agrees, to the extent permitted by law, to save harmless the Corporation and its agents, officers, and employees from all claims and liability due to activities of itself, its agents, officers, or employees, performed under this Contract and which are caused by or result from error, omission, or negligent act of the City or the City's agents, officers, or employees. The City shall also save harmless the Corporation from any and all expense, including, but not limited to, attorney fees which may be incurred by the Corporation in litigation or otherwise resisting said claim or liabilities which may be imposed on the Corporation as a result of such activities by the City, its agents, officers, or employees. This indemnity shall not include claims based upon or arising out of the willful misconduct of Corporation, its agents, officers or employees. Further, this indemnity shall not require payment of a claim by Corporation or its officers or employees as a condition precedent to Corporation's recovery under this provision.

ARTICLE 9

SEVERABILITY

In the event any one or more of the provisions contained in this Contract shall for any reason, be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof and this Contract shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

ARTICLE 10 PRIOR CONTRACTS SUPERSEDED

This Contract constitutes the sole and only agreement of the parties hereto and supersedes any prior understandings or written or oral contracts between the parties respecting the subject matter defined herein.

ARTICLE 11 NOTICES

All notices to either party by the other required under this Contract shall be personally delivered or mailed to such party at the following respective addresses:

For City: City Manager
 City of Georgetown
 P.O. Box 409
 Georgetown, Texas 78626 (PO Box zip is 78627)

For Corporation: General Manager
 Georgetown Economic Development Corporation
 P.O. Box 409
 Georgetown, Texas 78626 (PO Box zip is 78627)

ARTICLE 12

SIGNATORY WARRANTY

The undersigned signatory or signatories for the parties hereby represent and warrant that the signatory is an officer of the organization for which he or she has executed this Contract and that he or she has full and complete authority to enter into this Contract on behalf of the firm. The above-stated representations and warranties are made for the purpose of inducing the other party to enter into this Contract.

IN WITNESS HEREOF, the City and the Corporation have executed these presents in duplicate on this the ____ day of _____, 2021.

GEORGETOWN ECONOMIC DEVELOPMENT CORPORATION

By: _____
Printed Name: _____
Title: _____

ATTEST:

By: _____
Printed Name: _____
Title: _____

CITY OF GEORGETOWN

By: _____
Printed Name: Josh Schroder
Title: Mayor

ATTEST:

By: _____
Printed Name: Robyn Densomre
Title: City Secretary

APPROVED AS TO FORM:

Skye Masson City Attorney

Attachment A

The GEDCO Administrative Allocation for departments such as City Manager's Office, Finance and Accounting, and the Legal Department totals \$347,604 for FY2022. This equates to \$28,967 per month.



GEDCO Budget Process

- GEDCO - “component unit” of the City
 - GEDCO Board recommends budget to City Council
 - City Council adopts in August/September
- Guided by GEDCO Fiscal and Budgetary Policy
- GEDCO projects in collaboration with Economic Development Department

GEDCO Budget Process

- GEDCO budget developed annually –
 - Revenue estimates for upcoming year
 - Sales Tax –
 - Expenses for approved economic development projects and agreements; promotions
 - Debt service – from previously issued debt for projects
 - Administrative costs
 - Staff, overhead, project management, training

Revenue

- Sales tax is projected to end FY2021 at \$2,546,875 –
 - Exceeds budget due to strong fiscal year
 - 20% increase over prior year actuals
- FY2022 Sales Tax is projected to be \$2,661,484, which is an increase of 4.5% over FY2021 projections
- Interest revenue is budgeted at \$25,000 in FY2022

Expenditures

- Operation expenses include:
 - \$150,000 for Marketing
 - \$130,000 for Special Services/Contracts
 - \$100,000 for update to the strategic plan
 - Administrative Costs/Overhead - \$347,604
 - Two Debt Service Payments
 - Transfer out to the City's main debt fund for \$202,769 for Rivery conference center project
 - Repayment to the Water Fund for \$92,048

Expenditures

- Existing projects - \$976,000
 - Anticipate to roll funding from FY2021 projects
- Reserves – per fiscal and budgetary policy
 - Contingency = 25% of sales tax
 - \$665,371
 - Debt Service = one year of debt service
 - \$204,019

- Administrative Contract

- \$235,605 for the Joint Service contract includes services of Economic Development, Legal, and Finance Administration
- \$111,999 for General Fund – other/city management
- Total \$374,604
- 22% increase from FY20 due to additional contract oversight and activity
- Contract approved as a separate agenda item

Conclusion

- Discussion
- Recommendation to Council

GEORGETOWN ECONOMIC DEVELOPMENT CORPORATION FUND

The Georgetown Economic Development Corporation (GEDCO) considers requests and also grants economic development funds as authorized and defined by the Internal Revenue Code of 1986, Section 4A, leading to the creation or retention of primary jobs and/or provision of significant capital investment which benefits the community of Georgetown. The funding source is 1/8th cent of the City's sales tax rate.

FISCAL YEAR 2021

Total revenues are projected to be \$2.5 million, which is a 25% percent increase over budget. This increase is due to stronger than estimated sales tax collections throughout the pandemic.

Total expenses are projected to be \$7.3 million, which is less than the budgeted amount of \$10.1 million. This is largely due to the timing of certain projects not being expensed in the current fiscal year.

Total fund balance as of September 30th, 2021 is projected to be \$992K with a sales tax contingency reserve of \$505K and a reserve for debt service of \$202K.

FISCAL YEAR 2022

Budgeted revenues are expected to total \$2.7 million. Sales tax is projected to increase 4.5% over 2021 projections.

Budgeted expenses total \$2 million. This includes the cost of all currently anticipated Economic Development projects for FY2022, including \$100k for the startup of a small business loan program. GEDCO's share of Joint Services and General Fund Allocations total \$347K. The debt service payment is \$90K.

Total fund balance is projected to be \$1.7 million as of September 30th, 2021. This meets the contingency requirement of reserving 25% of budgeted sales tax revenue, as well as the debt service reserve requirement.

FUND SCHEDULE

GEDCO						
	FY2020	FY2021		FY2022		
	Actuals	Amended Budget	Projected	Base Budget	Changes	Proposed Budget
Beginning Fund Balance	4,976,732	8,845,777	5,740,067	992,725	-	992,725
Revenue						
40002:Sales Taxes	2,122,831	2,063,750	2,546,875	2,661,484	-	2,661,484
42001:Interest Income	98,282	19,000	25,000	25,000	-	25,000
Revenue Total	2,221,114	2,082,750	2,571,875	2,686,484	-	2,686,484
Expense						
Operations	1,145,778	8,850,174	6,028,476	1,658,104	-	1,658,104
Debt Service	104,211	90,572	90,572	92,048	-	92,048
Transfers	207,789	1,200,169	1,200,169	202,769	-	202,769
Expense Total	1,457,778	10,140,915	7,319,217	1,952,921	-	1,952,921
Ending Fund Balance	5,740,067	787,612	992,725	1,726,288	-	1,726,288
Reserves						
Contingency	689,467	505,468	505,468	665,371	-	665,371
Debt Service Reserve	-	202,769	202,769	204,019	-	204,019
Reserves Total	689,467	708,237	708,237	869,390	-	869,390
Available Fund Balance	5,050,600	79,375	284,488	856,898	-	856,898

City of Georgetown, Texas
Georgetown Economic Development Corporation
July 19, 2021

SUBJECT:

Discussion regarding the Staff Report - David Morgan, Georgetown City Manager

ITEM SUMMARY:

The GEDCO Board has requested that staff provide a project progress and status report at each meeting on all of the active projects discussed by the Board.

- Activity Report
- Performance Agreement Report
- Other Staff Items

FINANCIAL IMPACT:

N/A

SUBMITTED BY:

Sharon Parker

ATTACHMENTS:

Description		Type
☐	Active Project Update July	Backup Material
☐	Activity Report - July 2021	Backup Material

GEDCO - AGREEMENTS STATUS REPORT					
July 19, 2021					
Name	Description	Start Date (Council Approved)	End Date	\$ Encumbered	\$ Expended
Georgetown Development I, LLC	Infrastructure reimbursement grant of \$500,000 for qualified expenditures related to the development of 90,000 SF of speculative business park space in Georgetown at the Westinghouse Business Center.	10/9/2018	6/1/2021	\$ 500,000	
WBW Development	Infrastructure reimbursement grant of \$200,000 for qualified expenditures and a \$120,000 job creation grant for the creation of 30 jobs over 6 years related to the development of their headquarters location in Downtown Georgetown.	2/12/2019	within 6 years of the certificate of occupancy date	\$ 320,000	
4871 Williams Dr., LLC (Sedro Crossing)	Infrastructure reimbursement grant of \$250,000 to assist with improvements (utilities and access points) for construction of 89,500 square feet of commercial building space.	3/26/2019	12/31/2023	\$ 250,000	
Cockrum Commercial (Sedro Crossing)	Infrastructure reimbursement grant of \$250,000 to assist with improvements (utilities and access points) for construction of 60,000 square feet of new professional office space on Williams Dr.	3/26/2019	12/31/2023	\$ 250,000	
Atmos Energy	Infrastructure reimbursement grant of \$148,499.36 for the installation of 776 feet gas main along 7th, 8th, and 9th streets.	4/6/2019		\$ 148,499	\$ 143,674
Texas Speed & Performance	Job creation grant of \$2K per job up to 100 jobs in 5 years.	11/12/2019	11/12/2024	\$ 200,000	
Titan NorthPark35, LLC	Infrastructure reimbursement grant for qualified infrastructure costs related to the speculative development of a master planned industrial business park located at SH130 & I35.	11/17/2020	Certificate of Occupancy date	\$1,900,000	
(Motion Commercial Properties) assigned to: Titan NorthPark35, LLC	Infrastructure reimbursement grant in connection with the construction of 2 bldgs : \$500K infrastructure reimbursement bldg #1 \$500K infrastructure reimbursement bldg #2	Certificate of occupancy issue date	10 year anniversary of start date	\$1,000,000 -----	

GEDCO - AGREEMENTS STATUS REPORT					
July 19, 2021					
Name	Description	Start Date (Council Approved)	End Date	\$ Encumbered	\$ Expended
Costco	Agreement to partner with Atmos for natural gas line extension and reimbursement of cost to GEDCO by Costco if retail store construction is not completed.	12/10/2019	12/10/2024	N/A	

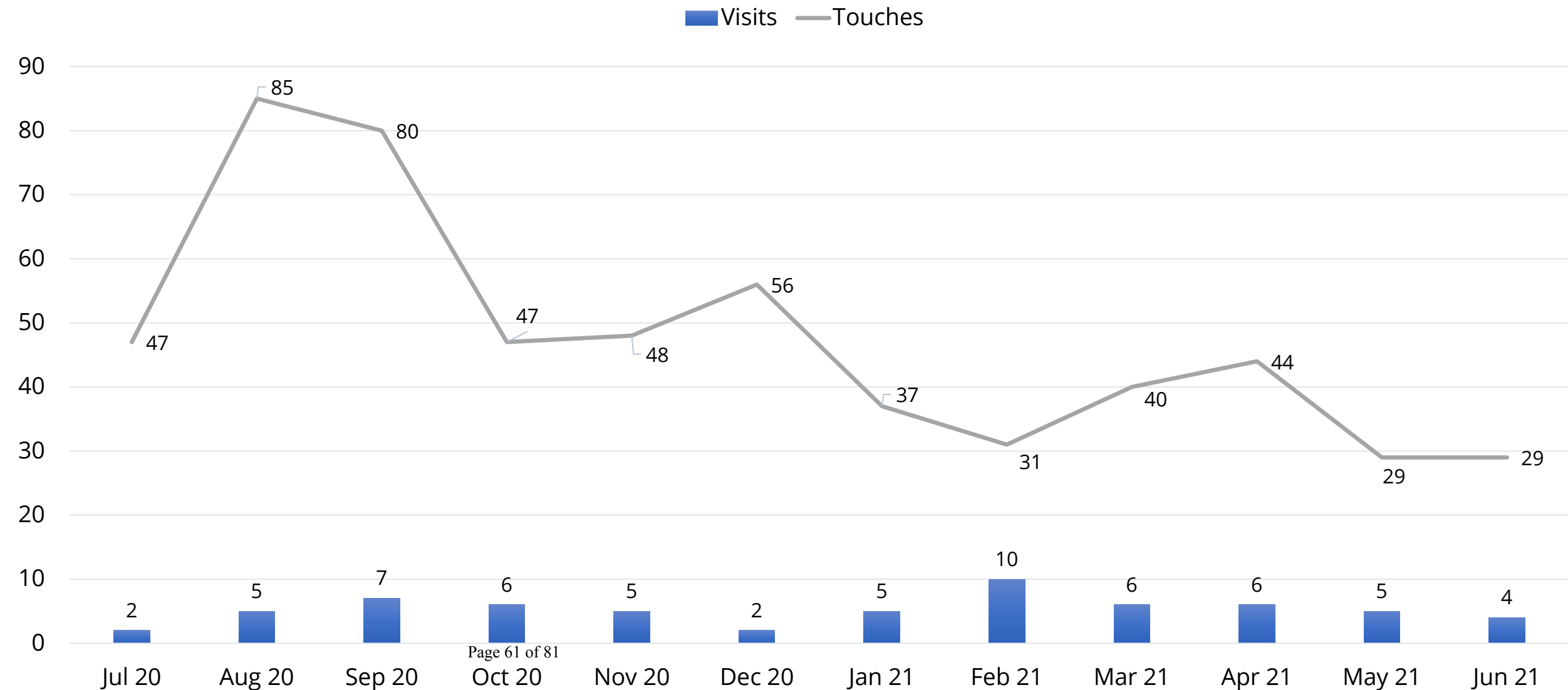
Economic Development Activity Report

July 2021

Strategic Goal 1

Support existing businesses and industries

Business Retention Activity



Business Retention Activity

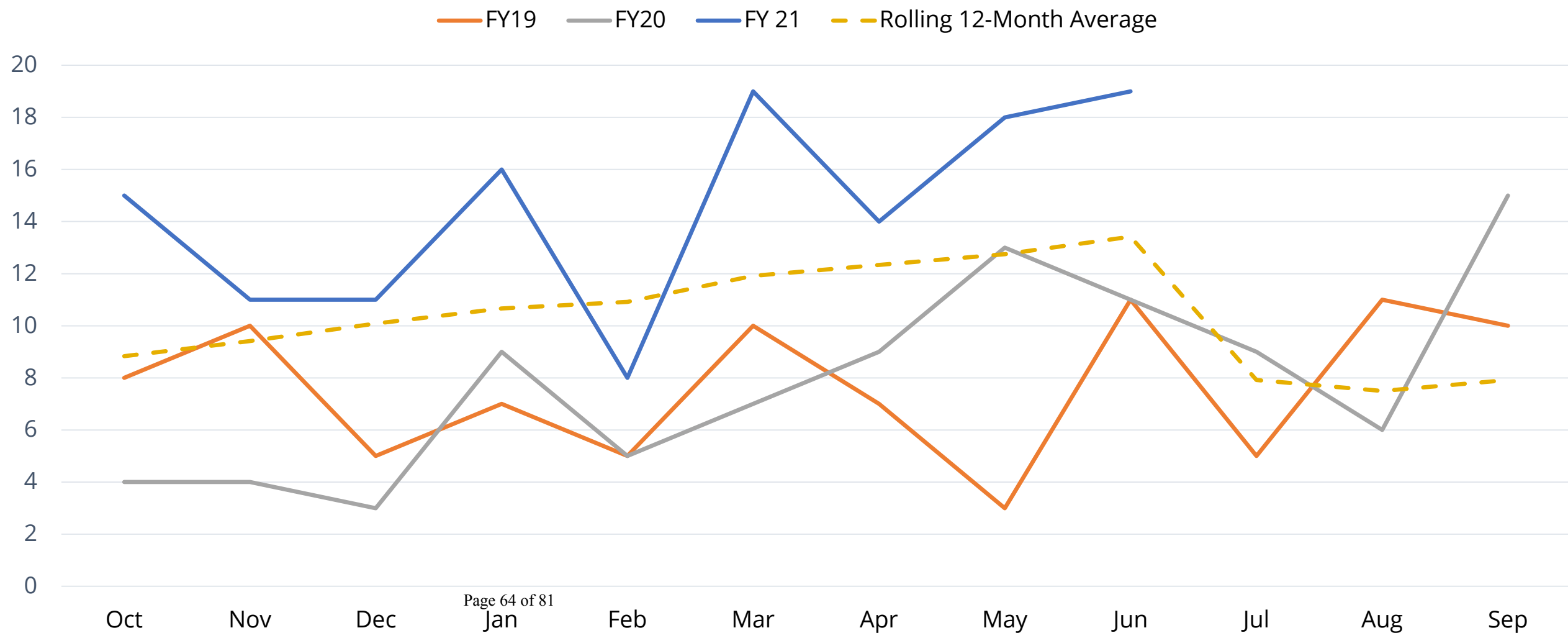
- Published the Georgetown residential relocation portal
- Planning the 2021 Business Appreciation Event

Strategic Goal 2

Enhance targeted recruitment of identified industries

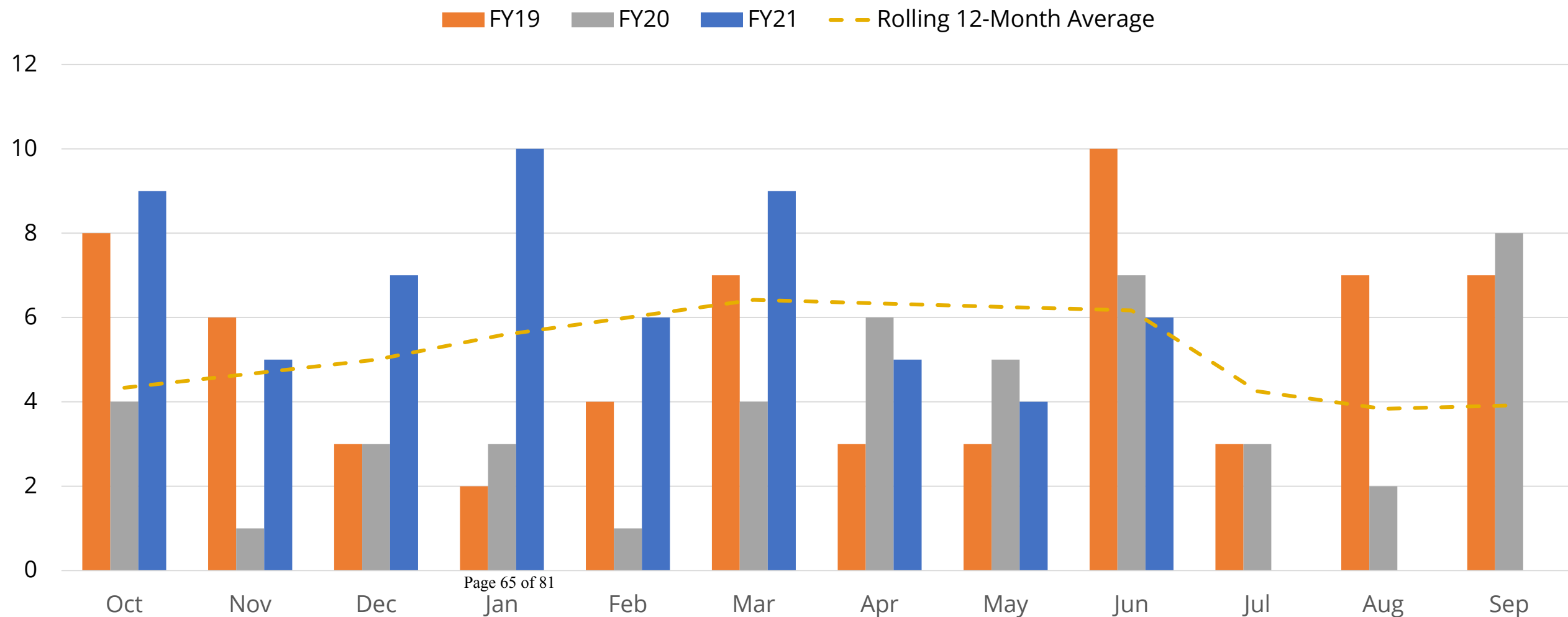
Leads Received

In FY20 we received 95 leads total – So far in FY21 we have received 131 leads



Qualified Leads

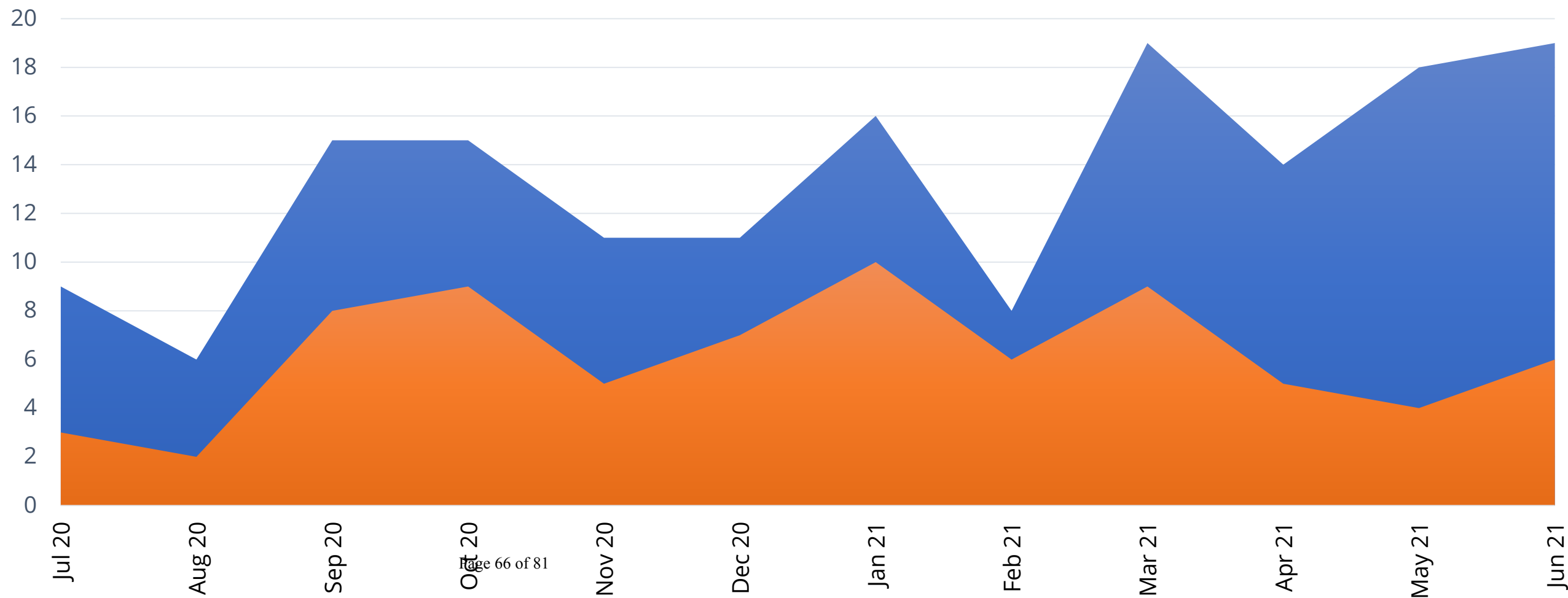
In FY20 we qualified for 47 leads total – So far in FY21 we have qualified for 61 leads



Qualified Leads Comparison

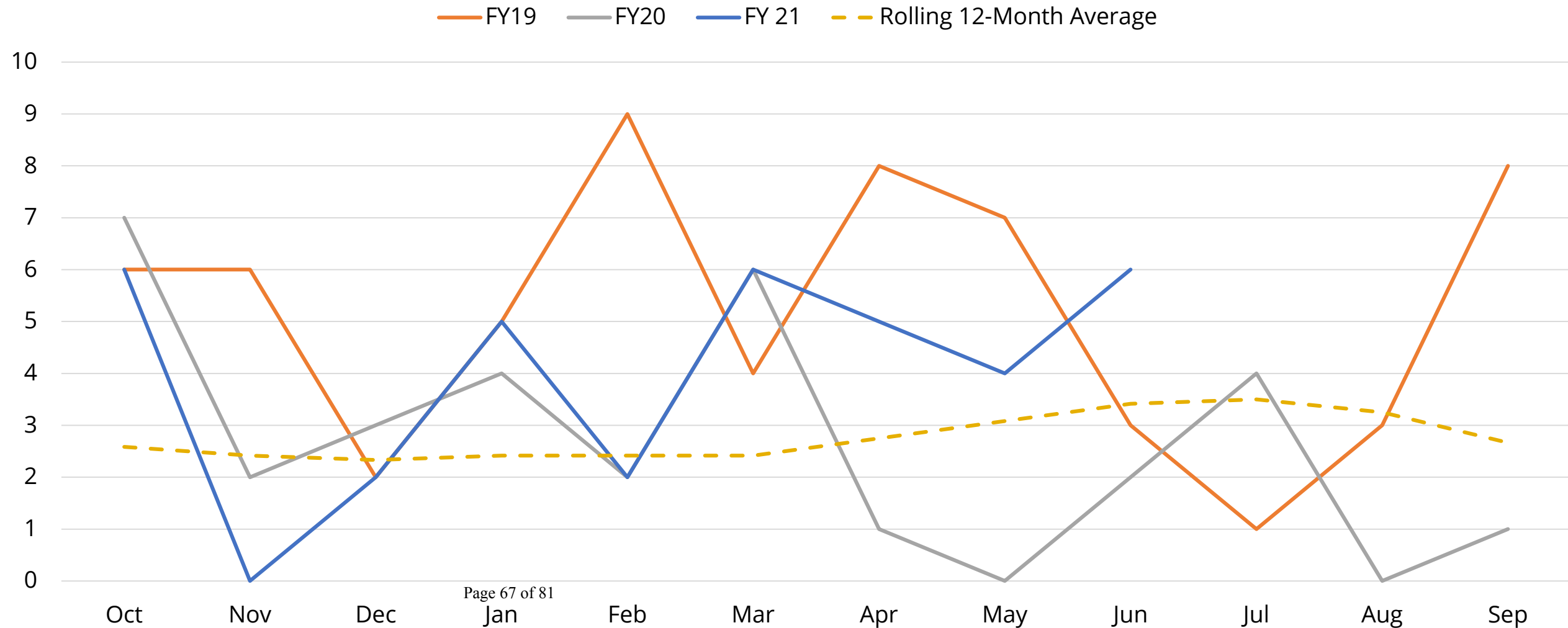
Over the past 12 months we have qualified for 46% of the leads received

■ Leads ■ Qualified

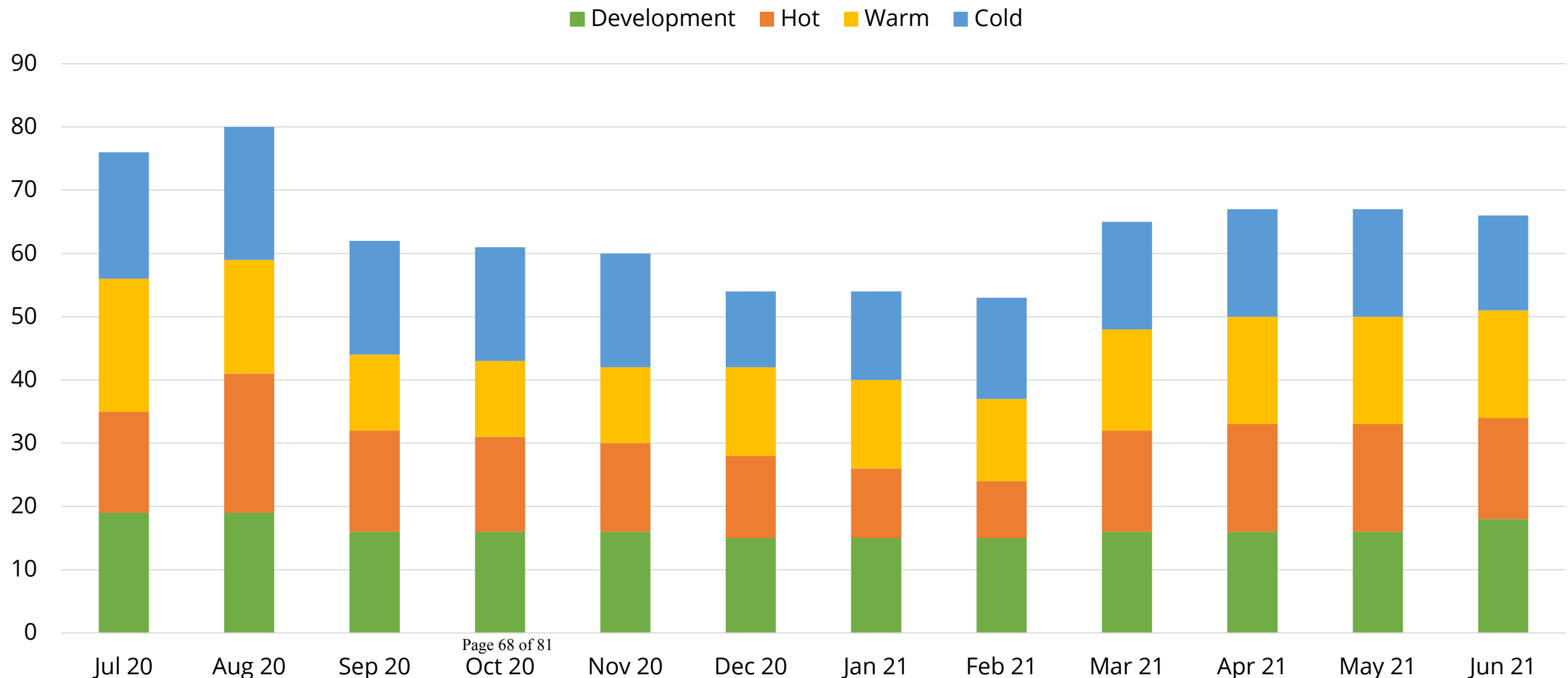


Site Visits

In FY20 we had 32 site visits total – So far in FY21 we have had 36 site visits



Active Projects



Strategic Goal 3

Diversify workforce development and recruitment initiatives

Workforce Development Activity

- Implementing a job listing software for website to support major employers
- Visited Ft. Hood's transition office to explore workforce development partnerships
- Scheduling the Veterans' and Military Spouses Job Fair for the Fall

Strategic Goal 4

Encourage speculative development

Speculative Development Activity

- GTEC agreement with Titan Development for Gateway Commerce 35 business park



Overall Goal

Tell our story to a broader local audience

Other Activity

- **Held Breakfast Bites & Downtown Lowdown**
- **Held the Residential Realtors Twelve@12 luncheon**
- **Released the Georgetown Business Briefs – 2021 Q2 newsletter**
- **Producing mini videos for WilCo EDP**

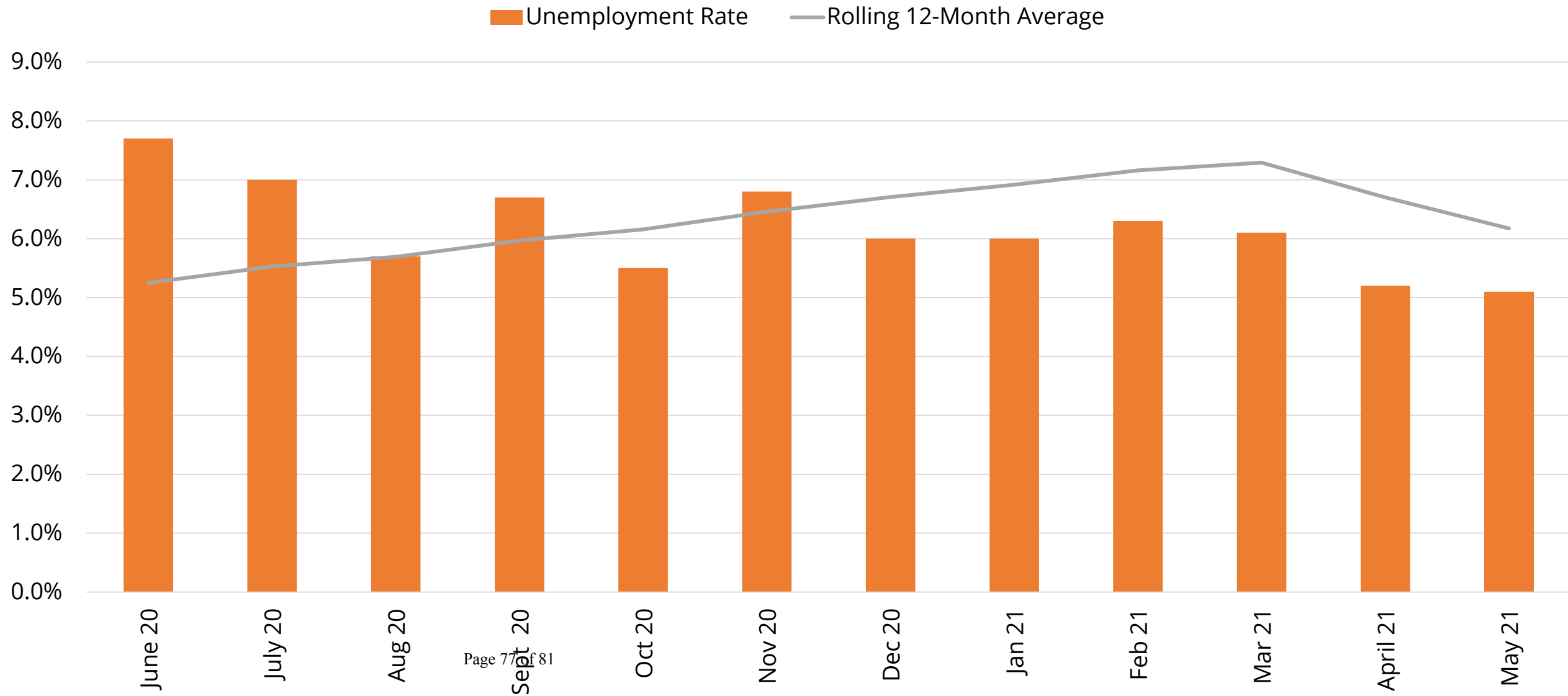
Symposium



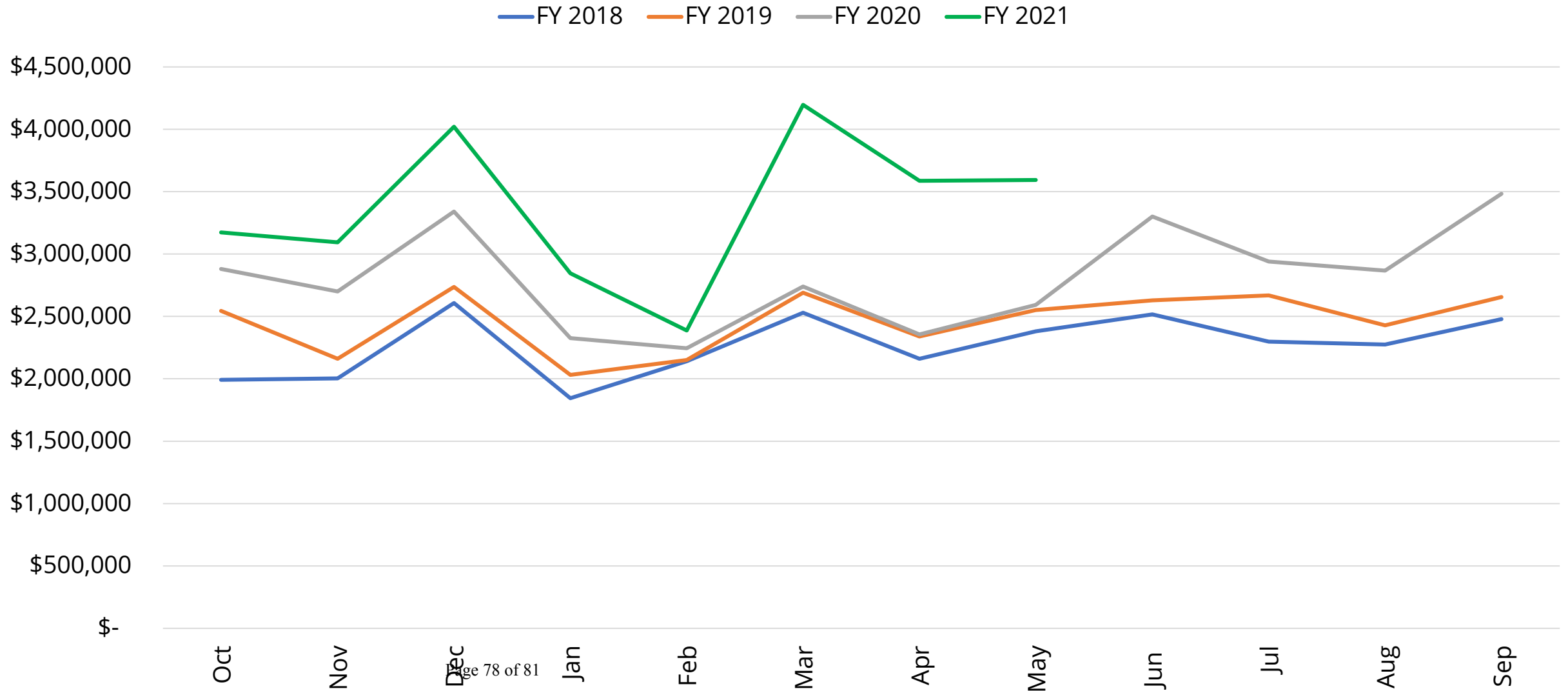
- **Speaker:** Dr. Mark G. Dotzour
- **Date:** August 30, 2021
- **Location:** Sheraton Hotel & Conference Center
- **11:00 a.m.** Registration
11:30 a.m. Lunch and Presentation

Economic Indicators

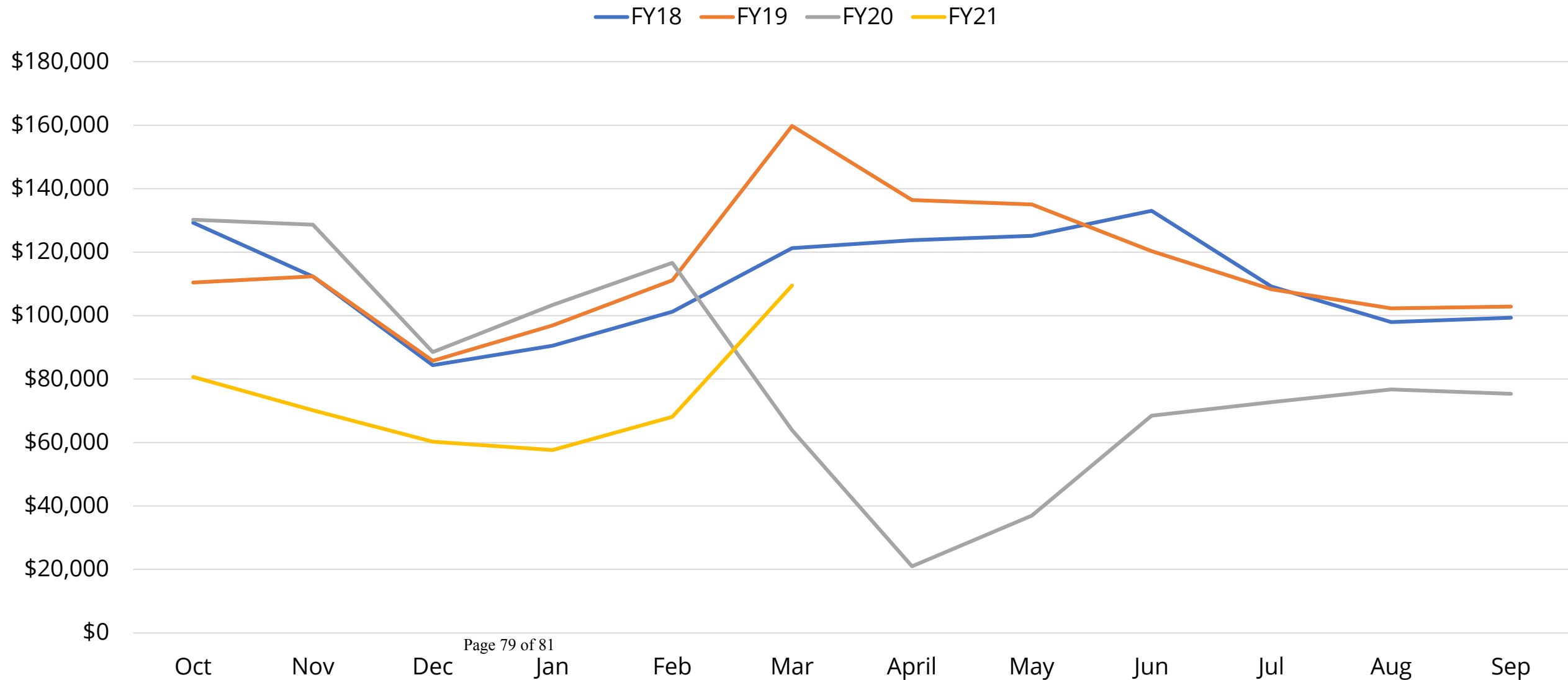
Unemployment Rate



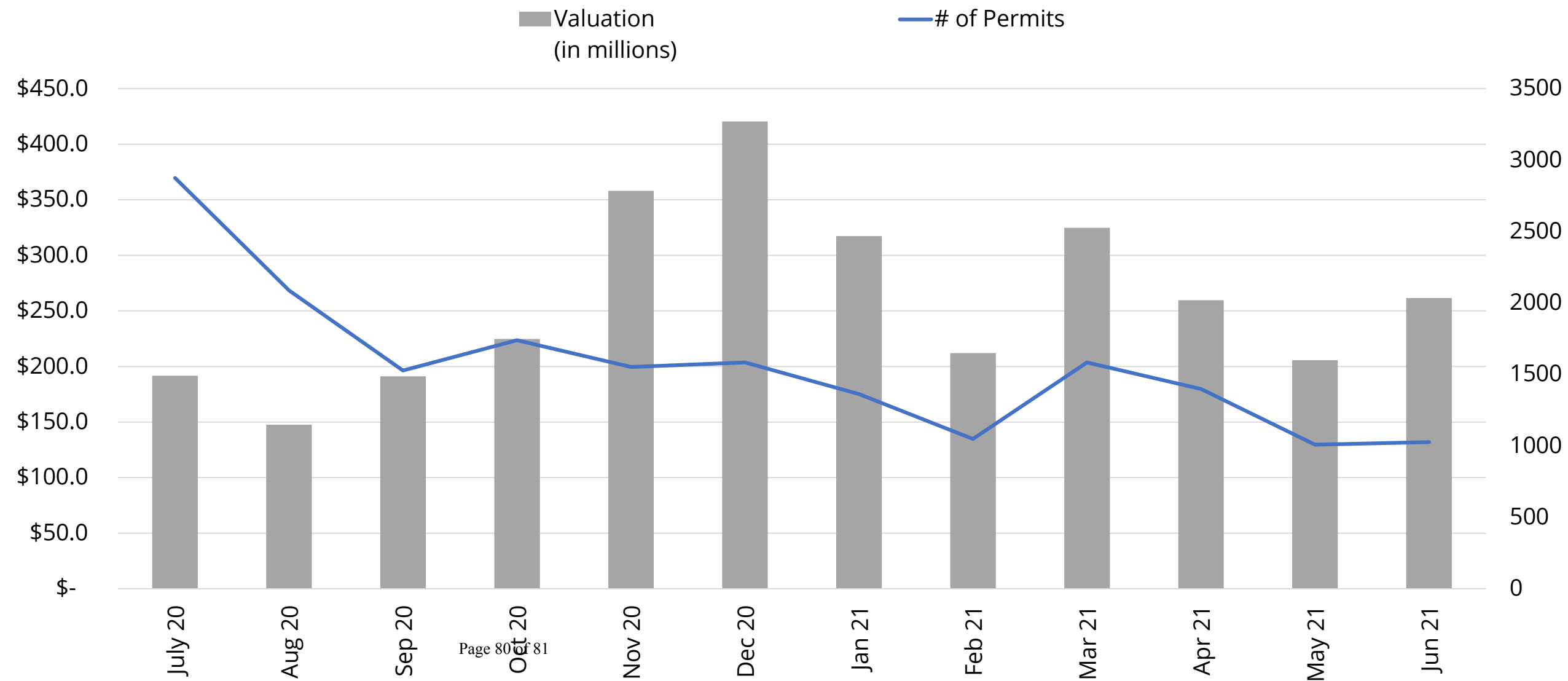
Sales Tax Collections



Hotel Occupancy Tax Collections



Construction Permit Applications



Certificates of Occupancy Issued

