



***** PUBLIC NOTICE *****

**NOTICE OF A CORINTH ECONOMIC DEVELOPMENT CORPORATION (CEDC)
OF THE CITY OF CORINTH
SPECIAL SESSION**

**Monday, June 12, 2017, 6:00 P.M.
City Hall
Conference Room - Room 102
3300 Corinth Parkway
Corinth, Texas 76208**

* Pursuant to Texas Government Code Section 551.002, a quorum of the City Council of Corinth may attend the following meeting and may participate in discussion on the agenda items listed below, but will not take any action.

CALL TO ORDER

CITIZENS COMMENTS

In accordance with the Open Meetings Act, the Board is prohibited from acting on or discussing (other than factual responses to specific questions) any items brought before them at this time. Citizen's comments will be limited to 3 minutes. Comments about any of the published agenda items are appreciated by the Board and may be taken into consideration at this time or during that agenda item. *All remarks and questions addressed to the Board shall be addressed to the Board as a whole and not to any individual member thereof.* Section 30.041B Code of Ordinance of the City of Corinth.

CONSENT AGENDA

1. Consider and act on minutes from the May 1, 2017 meeting.
2. Consider and act on the Corinth Economic Development Corporation Finance Report for the period ending March 2017.
3. Consider and act on the Corinth Economic Development Corporation Finance Report for the period ending April 2017.

BUSINESS AGENDA

1. Receive an update and hold a discussion on the Hotel Feasibility Study performed by CBRE Inc.

REPORTS AND UPDATES

1. Board Members
2. Executive Director

EXECUTIVE SESSION

If, during the course of the meeting, any discussion of any item on the agenda should need to be held in executive or closed session for the Board to seek advice from the City Attorney as to the posted subject matter of this Board Meeting, the Board will convene in such executive or closed session, in accordance with the provisions of the Government Code, Title 5, Subchapter D Chapter 551, to consider one or more matters pursuant to the following:

Section 551.071. Private consultation with its attorney to seek advice about pending or contemplated litigation; and/or settlement offer; (2) and/or a matter in which the duty of the attorney to the government body under the Texas Disciplinary Rules of Professional Conduct of the State of Texas clearly conflicts with chapter 551.

A. Consultation with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter referencing agreements for analytics and business retention and recruitment.

Section 551.072. To deliberate the purchase, exchange, lease or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person.

Section 551.074. To deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee.

Section 551.087. To deliberate or discuss regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or to deliberate the offer of a financial or other incentive to a business prospect.

B. Deliberations regarding economic development incentives to a business prospect.

After discussion of any matters in executive session, any final action or vote taken will be in public by the Board. The Board shall have the right at any time to seek legal advice in Executive Session from its Attorney on any agenda item, whether posted for Executive Session or not.

RECONVENE IN OPEN SESSION TO TAKE ACTION, IF NECESSARY, ON EXECUTIVE SESSION ITEMS.

ADJOURN

Posted this ____ day of _____, 2017 at ____ on the bulletin board at Corinth City Hall.

Jason Alexander, Economic Development Director
City of Corinth, Texas

EDC Special Session

1.

Meeting Date: 06/12/2017
Title: Meeting Minutes
Submitted By: Jason Alexander, Director
Finance Review: N/A
City Manager Review:

Legal Review: N/A

AGENDA ITEM

Consider and act on minutes from the May 1, 2017 meeting.

AGENDA ITEM SUMMARY/BACKGROUND

The minutes from the May 1, 2017 meeting.

RECOMMENDATION

N/A.

Fiscal Impact

Source of Funding: N/A.

FINANCIAL SUMMARY:

N/A.

Attachments

May 1, 2017 Meeting Minutes

CORINTH ECONOMIC DEVELOPMENT CORPORATION
May 1, 2017

STATE OF TEXAS
COUNTY OF DENTON
CITY OF CORINTH

On this 1st day of May, 2017 the Corinth Economic Development Corporation (CEDC) of the City of Corinth, Texas, met in Regular Session at 6:00 P.M. at Corinth City Hall, located at 3300 Corinth Parkway, Corinth, Texas. The meeting date, time, place and purpose as required by Title 5, Subtitle A, Chapter 551, Subchapter C, Section 551.041, Government Code, with the following members, to wit:

CEDC Board Members:

Lowell Johnson – President
Mike Amason – Vice President
Tina Henderson – Secretary
Don Glockel – Director
David Burnett – Director
Wade May – Director
Jerry Blazewicz – Director

CEDC Board Members Absent:

Others Present:

Jason Alexander, Executive Director
Sarah Smith, Executive Assistant to the City Manager

CALL TO ORDER:

President Lowell Johnson called the meeting to order at 6:00 P.M.

CONSENT AGENDA:

1. Consider and act on minutes from the April 3, 2017 meeting.
2. Consider and act on the Corinth Economic Development Finance Report for the period ending February 2017.

Don Glockel inquired about the total gross sales not in relation to the occupancy rate.

David Burnett said that hotels change their rates based on events and holidays.

MOTION was made by Burnett to approve the Consent Agenda as presented.

Seconded by Mike Amason.

Ayes:	Johnson, Blazewicz, Amason, Henderson, Burnett, May, Glockel
Noes:	None
Abstain:	None
Absent:	None

MOTION CARRIED

BUSINESS AGENDA:

3. Consider and act on a professional services agreement with Xceligent to assist the Corinth Economic Development Corporation in marketing commercial and industrial properties online for one year in the amount of \$4,200.00.

Jason Alexander discussed the agreement for \$4,200.00 with Xceligent to market [Corinth's] industrial and commercial properties online. Alexander reminded the Board that Xceligent came in and spoke at the last meeting about some of their tools including the ability to make reports, provide demographic information about the community, tenant information and the sales information for that property going back several years.

The actual contract was presented to the Board. The contract states that it is \$350.00 a month for their services. The \$350.00 a month is for a 12 month term. In January 2018, Xceligent will see how things are going, and see if we want to commit to another year. The rate for the services will stay the same.

After discussing the contract and addendum with the City Attorney, there were five modifications to the contract.

The contract will not have to go before City Council for approval because the budget already included a line item for on-line marketing.

MOTION was made by Glockel to approve a professional services agreement with Xceligent to assist the Corinth Economic Development Corporation in marketing commercial and industrial properties online for one year in the amount of \$4,200.00.

Seconded by Amason.

Ayes: Johnson, Blazewicz, Amason, Henderson, Burnett, May, Glockel
Noes: None
Abstain: None
Absent: None

MOTION CARRIED

REPORTS:

4. Board Members

Johnson stated that the Lake Cities Education Foundation Golf Tournament will be held the same day as the next meeting, June 5th. Johnson cancelled the meeting for June 5th, and scheduled the Board to meet in Special Session on June 12th at 6:00 p.m.

5. Executive Director

Alexander alerted the Board that CBRE is moving forward with the hotel feasibility study. They recently sent out surveys to some of the businesses in the Lake Cities area to inquire about what their needs are. Based on a preliminary evaluation of their research and data so far, it appears that we are in the market for a boutique hotel.

President Johnson recessed the meeting at 6:23 p.m. * See Closed Session.

CLOSED SESSION

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Section 551.071. Private consultation with its attorney to seek advice about pending or contemplated litigation; and/or settlement offer; (2) and/or a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State of Texas clearly conflicts with chapter 551.

Section 551.072. To deliberate the purchase, exchange, lease or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person.

Section 551.074. To deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee.

Section 551.087. To deliberate or discuss regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or to deliberate the offer of a financial or other incentive to a business prospect.

A. Deliberations regarding economic development incentives to a business prospect.

President Johnson reconvened the meeting in Open Session at 7:17 p.m. * See Closed Session.

ADJOURN:

There being no further business, President Johnson adjourned the May 1, 2017 Regular Session of the Corinth Economic Development Corporation at 7:17 P.M.

Sarah Smith, Executive Assistant to the City
Manager

Lowell Johnson – President
Corinth Economic Development Corporation

EDC Special Session

2.

Meeting Date: 06/12/2017
Title: March Corinth Economic Development Corporation Financial Report
Submitted By: Jason Alexander, Director
Finance Review: N/A **Legal Review:** N/A
City Manager Review:

AGENDA ITEM

Consider and act on the Corinth Economic Development Corporation Finance Report for the period ending March 2017.

AGENDA ITEM SUMMARY/BACKGROUND

The finance report for the Corinth Economic Development Corporation for the period ending March 2017.

RECOMMENDATION

N/A.

Fiscal Impact

Source of Funding: N/A.

FINANCIAL SUMMARY:

N/A.

Source of Funding: N/A.

FINANCIAL SUMMARY:

N/A.

Attachments

March Corinth Economic Development Corporation Financials



City of Corinth

Corinth Economic Development Corporation

Schedule of Revenues & Expenditures - Budget vs Actual (Unaudited)
For the Period Ended March 2017

	Current Fiscal Year, 2016-2017					Prior Year
	Budget FY 2016-17	March 2017 Actual	Year-to- Date Actual	Y-T-D Variance	Y-T-D % of Budget	Mar-16 Y-T-D Actual
RESOURCES						
Sales Tax (.50¢)	\$ 673,772	\$ 54,300	\$ 231,177	(442,595)	34.3%	\$ 209,634
Interest Income	400	80	321	(79)	80.4%	326
Investment Income	8,000	2,270	12,316	4,316	154.0%	7,221
Miscellaneous Income	-	-	-	-	0.0%	-
Projective Incentive Default	-	-	-	-	0.0%	-
Transfers In	-	-	-	-	0.0%	-
TOTAL ACTUAL RESOURCES	682,172	56,650	243,815	(438,357)	35.7%	217,181
Use of Fund Balance	10,232	-	-	(10,232)	0.0%	-
TOTAL RESOURCES	\$ 692,404	\$ 56,650	\$ 243,815	\$ (448,589)	35.2%	\$ 217,181
EXPENDITURES						
Wages & Benefits	\$ 127,927	\$ 9,843	\$ 60,288	\$ (67,639)	47.1%	58,309
Professional Fees	87,662	286	51,677	(35,985)	59.0%	27,247
Maintenance & Operations	178,570	-	1,348	(177,222)	0.8%	2,215
Supplies	1,000	-	-	(1,000)	0.0%	73
Utilities & Communication	3,014	150	1,076	(1,938)	35.7%	1,177
Vehicles/Equipment & Fuel	-	-	-	-	0.0%	-
Training	25,325	30	4,969	(20,356)	19.6%	2,290
Capital Outlay	125,000	-	-	(125,000)	0.0%	2,500
Debt Service	-	-	-	-	0.0%	-
Charges for Services	93,302	-	93,302	-	100.0%	105,401
Transfer Out	50,604	-	50,604	-	100.0%	50,250
TOTAL EXPENDITURES	692,404	10,310	263,264	(429,140)	38.0%	249,462
EXCESS/(DEFICIT)	\$ -	\$ 46,340	\$ (19,450)	\$ (19,450)		\$ (32,281)

KEY TRENDS

Resources

Sales Tax - As required by the Government Accounting Standards Board, sales tax is reported for the month it is collected by the vendor. March 2017 revenues are remitted to the City in May 2017. Sales Tax received in March represents January collections.

Expenditures

Transfer Out represents \$50,000 to the Park Development Fund and \$604 to the Tech Replacement Fund for the future purchases of computers.

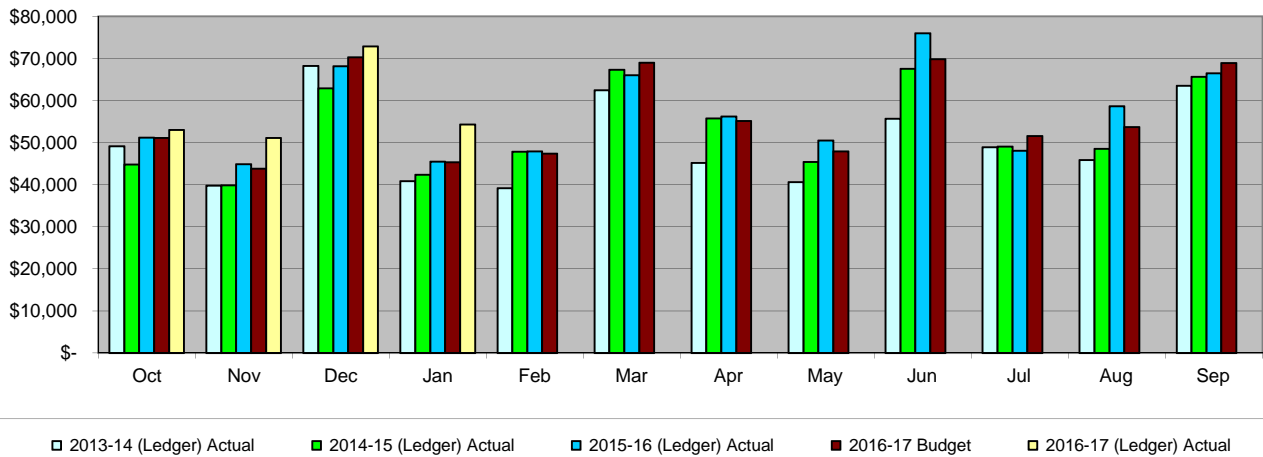
Capital Outlay includes \$125,000 for a Comprehensive Branding Strategy.



Corinth Economic Development Corporation
Economic Development Sales Tax
 PY Comparison and Variance Analysis

	2013-14 (Ledger) Actual	2014-15 (Ledger) Actual	2015-16 (Ledger) Actual	2016-17 Budget	2016-17 Cash Receipts	2016-17 (Ledger) Actual	Variance, Actual to Budget	Variance, Actual to Budget %	Variance, CY to PY	Variance, CY to PY %
Oct	\$ 49,120	\$ 44,779	\$ 51,148	\$ 51,112	\$ 58,630	\$ 52,974	\$ 1,862	3.6%	\$ 1,826	3.6%
Nov	39,763	39,840	44,827	43,774	66,452	51,070	7,297	16.7%	6,243	13.9%
Dec	68,189	62,897	68,160	70,273	52,974	72,833	2,560	3.6%	4,673	6.9%
Jan	40,830	42,350	45,500	45,281	51,070	54,300	9,019	19.9%	8,800	19.3%
Feb	39,130	47,853	47,909	47,381	72,833					
Mar	62,405	67,295	66,022	68,950	68,950					
Apr	45,146	55,712	56,230	55,158						
May	40,602	45,372	50,483	47,908						
Jun	55,689	67,547	75,989	69,815						
Jul	48,929	49,072	48,076	51,539						
Aug	45,851	48,521	58,630	53,680						
Sep	63,495	65,599	66,452	68,902						
TOTAL	\$ 599,149	\$ 636,837	\$ 679,427	\$ 673,772	\$ 356,260	\$ 231,177	\$ 20,738	9.9%	\$ 21,543	10.3%

Monthly Collections Comparison



KEY TRENDS

Description

The sales tax in Corinth is 8.25% for goods and services sold within the City's boundaries. The tax is collected by businesses making the sale and is remitted to the State Comptroller of Public Accounts on a monthly, and in some cases, quarterly basis. Of the 8.25%, the state retains 6.25% and distributes 1% to the City of Corinth, .25% to the Street Maintenance Sales Tax Fund, .25% to the Crime Control & Prevention District and .50% to the Economic Development Corporation. The State distributes tax proceeds to local entities within forty days following the period for which the tax is collected by businesses.

As required by the Government Accounting Standards Board, sales tax is reported for the month it is collected by the vendor. March 2017 revenues are remitted to the City in May 2017. Sales Tax received in March represents January collections.

Analysis

The EDC Sales Tax revenue reflects a year-to-date increase in collections compared to the budgeted amounts.

Revenues are deposited into the Economic Development Corporation Fund and must be used on behalf of the city in carrying out programs related to a wide variety of projects including public parks and business development (Tex.Rev.Civ.St. art 5190.6-the Development Corporation Act of 1979).



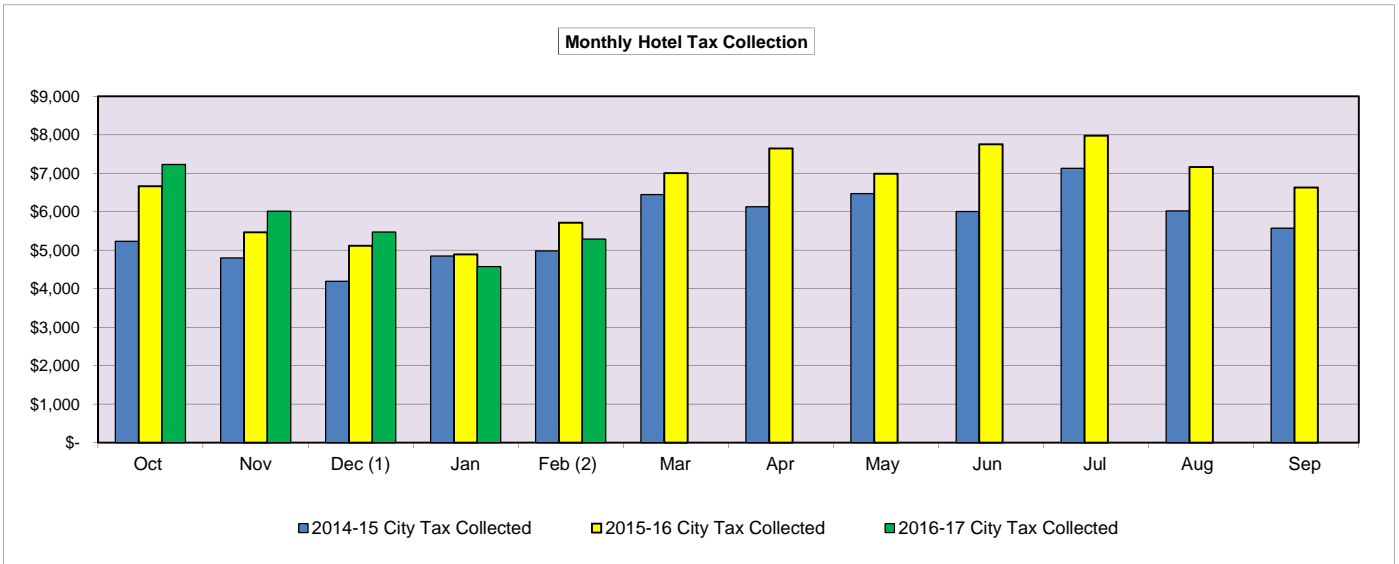
Hotel Occupancy Tax Collection Report

Comfort Inn & Suites

For the Period Ended March 2017

	Occupancy Rate	Total Gross Sales	Less Exemptions & Allowances	Total Taxable Revenues Reported	Taxable Revenues X 7%	Total City Tax Due	City Tax Collected FY 2016-17	Date Received	% Change CY to PY	City Tax Collected FY 2015-16	City Tax Collected FY 2014-15
Oct	75%	\$ 109,713	\$ 6,404	\$ 103,309	\$ 7,232	\$ 7,232	\$ 7,232	11/21/2016	8.5%	\$ 6,667	\$ 5,230
Nov	67%	89,908	4,020	85,889	6,012	6,012	6,012	12/19/2016	10.1%	5,463	4,802
Dec (1)	58%	80,577	2,336	78,241	5,477	5,477	5,477	1/23/2017	7.1%	5,115	4,192
Jan	52%	65,318	-	65,318	4,572	4,572	4,572	2/20/2017	-6.5%	4,891	4,850
Feb (2)	69%	76,132	-	76,132	5,329	5,329	5,291	3/20/2017	-7.4%	5,712	4,985
Mar										7,003	6,445
Apr										7,647	6,130
May										6,991	6,471
Jun										7,752	6,008
Jul										7,973	7,129
Aug										7,164	6,018
Sep										6,631	5,573
TOTALS		\$ 421,648	\$ 12,760	\$ 408,888	\$ 28,622	\$ 28,622	\$ 28,584			\$ 79,007	\$ 67,833

(1) - requested occupancy rate information from Management. Received February 16, 2017.
 (2) - exemptions claimed do not qualify. Requested \$38.08 owed from the Hotel.



KEY TRENDS

Description

The City's Hotel Occupancy Tax is levied at 7% of room rental rates.

CITY OF CORINTH
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: MARCH 31ST, 2017

130-Economic Development Corp
FINANCIAL SUMMARY

% OF YEAR COMPLETED: 50.00

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	TOTAL ENCUMBERED	BUDGET BALANCE	% YTD BUDGET
REVENUE SUMMARY						
SALES TAXES	673,772	54,299.84	231,177.09	0.00	442,594.91	34.31
INTEREST INCOME	8,400	2,349.96	12,637.73	0.00 (	4,237.73)	150.45
MISCELLANEOUS	0	0.00	0.00	0.00	0.00	0.00
TRANSFERS	0	0.00	0.00	0.00	0.00	0.00
TOTAL REVENUES	682,172	56,649.80	243,814.82	0.00	438,357.18	35.74
EXPENDITURE SUMMARY						
ECONOMIC DEVELOPMENT	692,404	10,310.20	263,264.36	15,521.00	413,618.64	40.26
TOTAL EXPENDITURES	692,404	10,310.20	263,264.36	15,521.00	413,618.64	40.26
REVENUE OVER/(UNDER) EXPENDITURES	(10,232)	46,339.60 (	19,449.54) (	15,521.00)	24,738.54	341.78

CITY OF CORINTH
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: MARCH 31ST, 2017

130-Economic Development Corp

% OF YEAR COMPLETED: 50.00

REVENUES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	TOTAL ENCUMBERED	BUDGET BALANCE	% YTD BUDGET
SALES TAXES						
130-0000-40200 SALES TAX	673,772	54,299.84	231,177.09	0.00	442,594.91	34.31
TOTAL SALES TAXES	673,772	54,299.84	231,177.09	0.00	442,594.91	34.31
INTEREST INCOME						
130-0000-41400 INVESTMENT INCOME	8,000	2,270.43	12,316.31	0.00 (	4,316.31)	153.95
130-0000-41405 INVESTMENT GAIN/LOSS	0	0.00	0.00	0.00	0.00	0.00
130-0000-41410 INTEREST INCOME	400	79.53	321.42	0.00	78.58	80.36
TOTAL INTEREST INCOME	8,400	2,349.96	12,637.73	0.00 (	4,237.73)	150.45
MISCELLANEOUS						
130-0000-41500 MISCELLANEOUS INCOME	0	0.00	0.00	0.00	0.00	0.00
130-0000-41530 BUSINESS DIRECTORY ADVERT	0	0.00	0.00	0.00	0.00	0.00
130-0000-41536 PROJECT INCENTIVE DEFAULT	0	0.00	0.00	0.00	0.00	0.00
TOTAL MISCELLANEOUS	0	0.00	0.00	0.00	0.00	0.00
TRANSFERS						
130-0000-41820 TRANSFER IN	0	0.00	0.00	0.00	0.00	0.00
TOTAL TRANSFERS	0	0.00	0.00	0.00	0.00	0.00
TOTAL REVENUE	682,172	56,649.80	243,814.82	0.00	438,357.18	35.74

AS OF: MARCH 31ST, 2017

130-Economic Development Corp

DEPARTMENT - ECONOMIC DEVELOPMENT

% OF YEAR COMPLETED: 50.00

DEPARTMENTAL EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	TOTAL ENCUMBERED	BUDGET BALANCE	% YTD BUDGET
WAGES & BENEFITS						
130-1700-50100 SALARIES	94,760	7,289.24	43,735.44	0.00	51,024.56	46.15
130-1700-50115 OVERTIME	0	0.00	0.00	0.00	0.00	0.00
130-1700-50201 EDUCATION PAY	0	0.00	0.00	0.00	0.00	0.00
130-1700-50203 LONGEVITY PAY	96	0.00	96.00	0.00	0.00	100.00
130-1700-50204 CAR ALLOWANCE	4,800	400.00	2,600.00	0.00	2,200.00	54.17
130-1700-50300 HEALTH INSURANCE	9,351	695.90	5,175.40	0.00	4,175.60	55.35
130-1700-50301 DENTAL INSURANCE	335	27.90	167.40	0.00	167.60	49.97
130-1700-50302 LIFE & DISABILITY INSURAN	366	29.40	176.40	0.00	189.60	48.20
130-1700-50303 BROKER FEES	208	16.72	100.32	0.00	107.68	48.23
130-1700-50304 PHS FEES	114	9.00	54.00	0.00	60.00	47.37
130-1700-50305 TMRS EMPLOYER	15,563	1,204.23	7,142.40	0.00	8,420.60	45.89
130-1700-50310 401A	390	30.00	195.00	0.00	195.00	50.00
130-1700-50315 FSA PREMIUMS	0	0.00	0.00	0.00	0.00	0.00
130-1700-50316 EAP	17	1.59	9.54	0.00	7.46	56.12
130-1700-50317 COBRA ADMINISTRATION FEE	7	0.00	0.00	0.00	7.00	0.00
130-1700-50320 WORKERS COMP	282	26.93	159.49	0.00	122.51	56.56
130-1700-50401 MEDICARE EMPLOYER	1,458	112.58	676.39	0.00	781.61	46.39
130-1700-50405 TEXAS EMPLOYMENT COMM.	180	0.00	0.00	0.00	180.00	0.00
130-1700-50410 FICA	0	0.00	0.00	0.00	0.00	0.00
TOTAL WAGES & BENEFITS	127,927	9,843.49	60,287.78	0.00	67,639.22	47.13
PROF. SERV & CONTRACTUAL						
130-1700-51100 PROFESSIONAL SERVICES	68,876	0.00	50,000.00	0.00	18,876.00	72.59
130-1700-51101 CONTRACT LABOR	0	0.00	0.00	0.00	0.00	0.00
130-1700-51110 ENGINEERING FEES	0	0.00	0.00	0.00	0.00	0.00
130-1700-51145 AUDIT FEES	0	0.00	0.00	0.00	0.00	0.00
130-1700-51300 LEGAL FEES	17,200	150.00	879.00	15,521.00	800.00	95.35
130-1700-51400 P&L INSURANCE	1,586	136.49	798.30	0.00	787.70	50.33
TOTAL PROF. SERV & CONTRACTUAL	87,662	286.49	51,677.30	15,521.00	20,463.70	76.66
MAINTENANCE & OPERATIONS						
130-1700-52000 ADVERTISING	7,500	0.00	362.52	0.00	7,137.48	4.83
130-1700-52002 POSTAGE	0	0.00	3.43	0.00	3.43	0.00
130-1700-52003 PRINTING	400	0.00	0.00	0.00	400.00	0.00
130-1700-52004 COPIER CHARGES	250	0.00	0.00	0.00	250.00	0.00
130-1700-52010 LATE PYMT/FINANCE FEES	0	0.00	0.00	0.00	0.00	0.00
130-1700-52030 EQUIPMENT RENTAL	0	0.00	0.00	0.00	0.00	0.00
130-1700-52210 BOARDS & COMMITTE EXPENSE	0	0.00	0.00	0.00	0.00	0.00
130-1700-52215 PROMOTIONAL FEES	16,450	0.00	600.00	0.00	15,850.00	3.65
130-1700-52230 PROJECT INCENTIVES	150,000	0.00	0.00	0.00	150,000.00	0.00
130-1700-52500 DUES & SUBSCRIPTIONS	3,970	0.00	382.00	0.00	3,588.00	9.62
130-1700-52800 HIRING COST	0	0.00	0.00	0.00	0.00	0.00
TOTAL MAINTENANCE & OPERATIONS	178,570	0.00	1,347.95	0.00	177,222.05	0.75
SUPPLIES						
130-1700-53001 OFFICE SUPPLIES	1,000	0.00	0.00	0.00	1,000.00	0.00
130-1700-53205 OFFICE EQUIPMENT	0	0.00	0.00	0.00	0.00	0.00
TOTAL SUPPLIES	1,000	0.00	0.00	0.00	1,000.00	0.00

CITY OF CORINTH
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: MARCH 31ST, 2017

130-Economic Development Corp

DEPARTMENT - ECONOMIC DEVELOPMENT

% OF YEAR COMPLETED: 50.00

DEPARTMENTAL EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	TOTAL ENCUMBERED	BUDGET BALANCE	% YTD BUDGET
UTILITIES & COMMUNICATION						
130-1700-54100 TELEPHONE	156	6.03	30.10	0.00	125.90	19.29
130-1700-54105 INTERNET	384	29.98	144.16	0.00	239.84	37.54
130-1700-54106 AIRCARD	504	39.21	156.84	0.00	347.16	31.12
130-1700-54107 COMPUTER LICENSING	1,070	0.00	294.83	0.00	775.17	27.55
130-1700-54200 CELLPHONE	900	75.00	450.00	0.00	450.00	50.00
TOTAL UTILITIES & COMMUNICATION	3,014	150.22	1,075.93	0.00	1,938.07	35.70
TRAVEL & TRAINING						
130-1700-56000 TRAINING	11,075	0.00	3,183.00	0.00	7,892.00	28.74
130-1700-56100 TRAVEL/MEALS/LODGING	13,500	30.00	1,108.92	0.00	12,391.08	8.21
130-1700-56200 MILEAGE	750	0.00	677.48	0.00	72.52	90.33
TOTAL TRAVEL & TRAINING	25,325	30.00	4,969.40	0.00	20,355.60	19.62
CAPITAL OUTLAY						
130-1700-57000 CAPITAL OUTLAY	125,000	0.00	0.00	0.00	125,000.00	0.00
TOTAL CAPITAL OUTLAY	125,000	0.00	0.00	0.00	125,000.00	0.00
TRANSFERS & COST ALLOC.						
130-1700-59001 COST ALLOCATION OUT-GENER	93,302	0.00	93,302.00	0.00	0.00	100.00
130-1700-59010 COST ALLOCATION OUT-TECH	0	0.00	0.00	0.00	0.00	0.00
130-1700-59101 TRANSFER OUT	50,000	0.00	50,000.00	0.00	0.00	100.00
130-1700-59105 TRANSFER OUT - GENERAL FU	0	0.00	0.00	0.00	0.00	0.00
130-1700-59111 TRANSFER OUT - TECH REPLA	604	0.00	604.00	0.00	0.00	100.00
TOTAL TRANSFERS & COST ALLOC.	143,906	0.00	143,906.00	0.00	0.00	100.00
TOTAL ECONOMIC DEVELOPMENT						
	692,404	10,310.20	263,264.36	15,521.00	413,618.64	40.26
TOTAL EXPENDITURES						
	692,404	10,310.20	263,264.36	15,521.00	413,618.64	40.26
REVENUE OVER/(UNDER) EXPENDITURES	(10,232)	46,339.60	(19,449.54)	(15,521.00)	24,738.54	341.78

EDC Special Session

3.

Meeting Date: 06/12/2017

Title: April Corinth Economic Development Corporation Financial Report

Submitted By: Jason Alexander, Director

Finance Review: N/A

Legal Review: N/A

City Manager Review:

AGENDA ITEM

Consider and act on the Corinth Economic Development Corporation Finance Report for the period ending April 2017.

AGENDA ITEM SUMMARY/BACKGROUND

?The finance report for the Corinth Economic Development Corporation for the period ending April 2017.

RECOMMENDATION

N/A.

Fiscal Impact

Source of Funding: N/A.

FINANCIAL SUMMARY:

N/A.

Attachments

April Corinth Economic Development Corporation Financials



City of Corinth

Corinth Economic Development Corporation

Schedule of Revenues & Expenditures - Budget vs Actual (Unaudited)
For the Period Ended April 2017

	Current Fiscal Year, 2016-2017					Prior Year
	Budget FY 2016-17	April 2017 Actual	Year-to- Date Actual	Y-T-D Variance	Y-T-D % of Budget	Apr-16 Y-T-D Actual
RESOURCES						
Sales Tax (.50¢)	\$ 673,772	\$ 47,147	\$ 278,324	(395,448)	41.3%	\$ 257,544
Interest Income	400	85	406	6	101.5%	417
Investment Income	8,000	2,251	14,568	6,568	182.1%	8,830
Miscellaneous Income	-	-	-	-	0.0%	-
Projective Incentive Default	-	-	-	-	0.0%	-
Transfers In	-	-	-	-	0.0%	-
TOTAL ACTUAL RESOURCES	682,172	49,482	293,297	(388,875)	43.0%	266,791
Use of Fund Balance	10,232	-	-	(10,232)	0.0%	-
TOTAL RESOURCES	\$ 692,404	\$ 49,482	\$ 293,297	\$ (399,107)	42.4%	\$ 266,791
EXPENDITURES						
Wages & Benefits	\$ 127,927	\$ 9,621	\$ 69,908	\$ (58,019)	54.6%	67,676
Professional Fees	87,662	780	52,458	(35,204)	59.8%	52,401
Maintenance & Operations	178,570	2,390	3,738	(174,832)	2.1%	2,215
Supplies	1,000	-	-	(1,000)	0.0%	73
Utilities & Communication	3,014	195	1,271	(1,743)	42.2%	1,370
Vehicles/Equipment & Fuel	-	-	-	-	0.0%	-
Training	25,325	700	5,669	(19,656)	22.4%	2,640
Capital Outlay	125,000	-	-	(125,000)	0.0%	2,500
Debt Service	-	-	-	-	0.0%	-
Charges for Services	93,302	-	93,302	-	100.0%	105,401
Transfer Out	50,604	-	50,604	-	100.0%	50,250
TOTAL EXPENDITURES	692,404	13,686	276,951	(415,453)	40.0%	284,526
EXCESS/(DEFICIT)	\$ -	\$ 35,796	\$ 16,347	\$ 16,347		\$ (17,735)

KEY TRENDS

Resources

Sales Tax - As required by the Government Accounting Standards Board, sales tax is reported for the month it is collected by the vendor. April 2017 revenues are remitted to the City in June 2017. Sales Tax received in April represents February collections.

Expenditures

Transfer Out represents \$50,000 to the Park Development Fund and \$604 to the Tech Replacement Fund for the future purchases of computers.

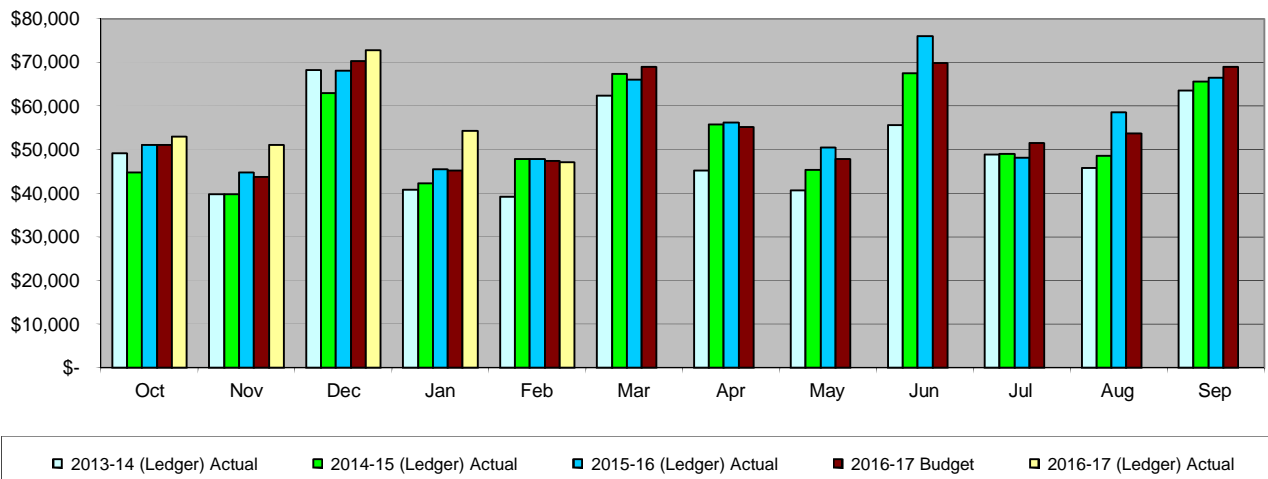
Capital Outlay includes \$125,000 for a Comprehensive Branding Strategy.



Corinth Economic Development Corporation
Economic Development Sales Tax
 PY Comparison and Variance Analysis

	2013-14 (Ledger) Actual	2014-15 (Ledger) Actual	2015-16 (Ledger) Actual	2016-17 Budget	2016-17 Cash Receipts	2016-17 (Ledger) Actual	Variance, Actual to Budget	Variance, Actual to Budget %	Variance, CY to PY	Variance, CY to PY %
Oct	\$ 49,120	\$ 44,779	\$ 51,148	\$ 51,112	\$ 58,630	\$ 52,974	\$ 1,862	3.6%	\$ 1,826	3.6%
Nov	39,763	39,840	44,827	43,774	66,452	51,070	7,297	16.7%	6,243	13.9%
Dec	68,189	62,897	68,160	70,273	52,974	72,833	2,560	3.6%	4,673	6.9%
Jan	40,830	42,350	45,500	45,281	51,070	54,300	9,019	19.9%	8,800	19.3%
Feb	39,130	47,853	47,909	47,381	72,833	47,147	(234)	-0.5%	(763)	-1.6%
Mar	62,405	67,295	66,022	68,950	54,300					
Apr	45,146	55,712	56,230	55,158	47,147					
May	40,602	45,372	50,483	47,908						
Jun	55,689	67,547	75,989	69,815						
Jul	48,929	49,072	48,076	51,539						
Aug	45,851	48,521	58,630	53,680						
Sep	63,495	65,599	66,452	68,902						
TOTAL	\$ 599,149	\$ 636,837	\$ 679,427	\$ 673,772	\$ 403,407	\$ 278,324	\$ 20,504	8.0%	\$ 20,780	8.1%

Monthly Collections Comparison



KEY TRENDS

Description

The sales tax in Corinth is 8.25% for goods and services sold within the City's boundaries. The tax is collected by businesses making the sale and is remitted to the State Comptroller of Public Accounts on a monthly, and in some cases, quarterly basis. Of the 8.25%, the state retains 6.25% and distributes 1% to the City of Corinth, .25% to the Street Maintenance Sales Tax Fund, .25% to the Crime Control & Prevention District and .50% to the Economic Development Corporation. The State distributes tax proceeds to local entities within forty days following the period for which the tax is collected by businesses.

As required by the Government Accounting Standards Board, sales tax is reported for the month it is collected by the vendor. April 2017 revenues are remitted to the City in June 2017. Sales Tax received in April represents February collections.

Analysis

The EDC Sales Tax revenue reflects a year-to-date increase in collections compared to the budgeted amounts.

Revenues are deposited into the Economic Development Corporation Fund and must be used on behalf of the city in carrying out programs related to a wide variety of projects including public parks and business development (Tex.Rev.Civ.St. art 5190.6-the Development Corporation Act of 1979).



Hotel Occupancy Tax Collection Report

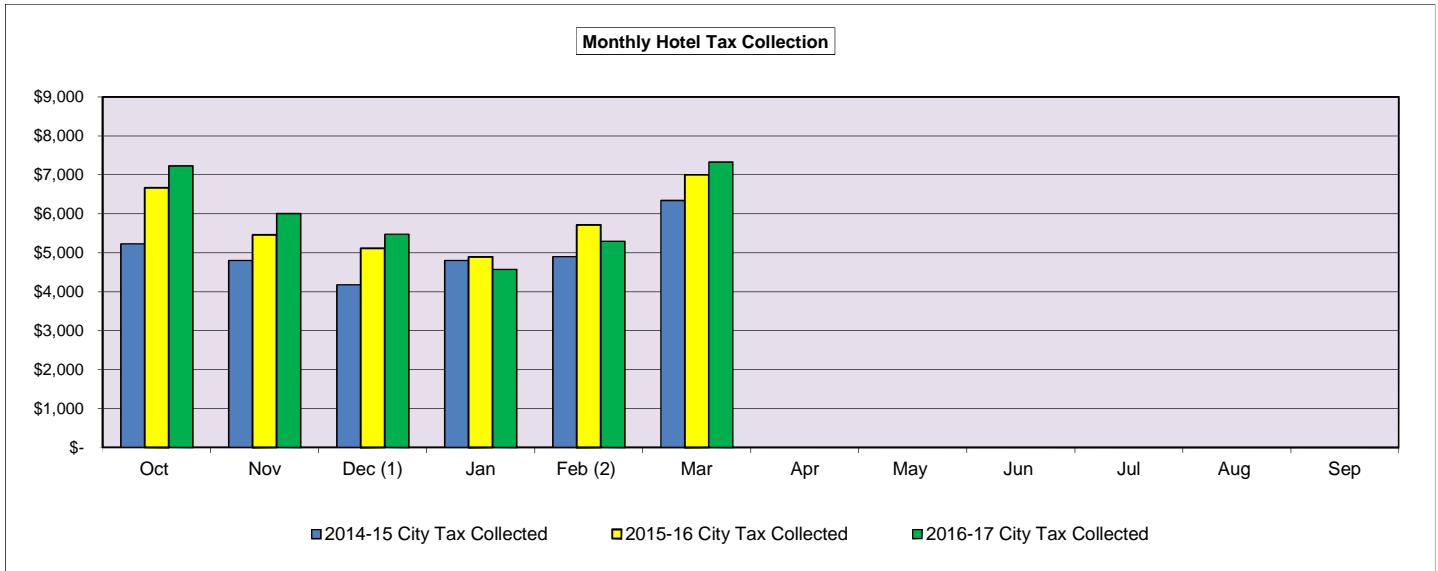
Comfort Inn & Suites

For the Period Ended April 2017

	Occupancy Rate	Total Gross Sales	Less Exemptions & Allowances	Total Taxable Revenues Reported	Taxable Revenues X 7%	Total City Tax Due	City Tax Collected FY 2016-17	Date Received	% Change CY to PY	City Tax Collected FY 2015-16	City Tax Collected FY 2014-15
Oct	75%	\$ 109,713	\$ 6,404	\$ 103,309	\$ 7,232	\$ 7,232	\$ 7,232	11/21/2016	8.5%	\$ 6,667	\$ 5,230
Nov	67%	89,908	4,020	85,889	6,012	6,012	6,012	12/19/2016	10.1%	5,463	4,802
Dec (1)	58%	80,577	2,336	78,241	5,477	5,477	5,477	1/23/2017	7.1%	5,115	4,179
Jan	52%	65,318	-	65,318	4,572	4,572	4,572	2/20/2017	-6.5%	4,891	4,805
Feb (2)	69%	76,132	-	76,132	5,329	5,329	5,291	3/20/2017	-7.4%	5,712	4,904
Mar	79%	104,432	220	104,212	7,295	7,295	7,333	4/17/2017	4.7%	7,003	6,346
Apr											
May											
Jun											
Jul											
Aug											
Sep											
TOTALS		\$ 526,081	\$ 12,980	\$ 513,100	\$ 35,917	\$ 35,917	\$ 35,917			\$ 34,850	\$ 30,265

(1) - requested occupancy rate information from Management. Received February 16, 2017.

(2) - exemptions claimed do not qualify. Requested \$38.08 owed from the Hotel.



KEY TRENDS

Description

The City's Hotel Occupancy Tax is levied at 7% of room rental rates.

CITY OF CORINTH
 REVENUE & EXPENSE REPORT (UNAUDITED)
 AS OF: APRIL 30TH, 2017

130-Economic Development Corp
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 58.33

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	TOTAL ENCUMBERED	BUDGET BALANCE	% YTD BUDGET
<u>REVENUE SUMMARY</u>						
SALES TAXES	673,772	47,146.57	278,323.66	0.00	395,448.34	41.31
INTEREST INCOME	<u>8,400</u>	<u>2,335.89</u>	<u>14,973.62</u>	<u>0.00</u>	<u>(6,573.62)</u>	<u>178.26</u>
TOTAL REVENUES	682,172	49,482.46	293,297.28	0.00	388,874.72	42.99
<u>EXPENDITURE SUMMARY</u>						
ECONOMIC DEVELOPMENT	<u>692,404</u>	<u>13,686.24</u>	<u>276,950.60</u>	<u>24,877.00</u>	<u>390,576.40</u>	<u>43.59</u>
TOTAL EXPENDITURES	692,404	13,686.24	276,950.60	24,877.00	390,576.40	43.59
REVENUE OVER/(UNDER) EXPENDITURES	(10,232)	35,796.22	16,346.68	(24,877.00)	(1,701.68)	83.37

CITY OF CORINTH
 REVENUE & EXPENSE REPORT (UNAUDITED)
 AS OF: APRIL 30TH, 2017

130-Economic Development Corp

% OF YEAR COMPLETED: 58.33

REVENUES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	TOTAL ENCUMBERED	BUDGET BALANCE	% YTD BUDGET
<u>SALES TAXES</u>						
130-0000-40200 SALES TAX	<u>673,772</u>	<u>47,146.57</u>	<u>278,323.66</u>	<u>0.00</u>	<u>395,448.34</u>	<u>41.31</u>
TOTAL SALES TAXES	673,772	47,146.57	278,323.66	0.00	395,448.34	41.31
<u>INTEREST INCOME</u>						
130-0000-41400 INVESTMENT INCOME	8,000	2,251.24	14,567.55	0.00 (	6,567.55)	182.09
130-0000-41410 INTEREST INCOME	<u>400</u>	<u>84.65</u>	<u>406.07</u>	<u>0.00 (</u>	<u>6.07)</u>	<u>101.52</u>
TOTAL INTEREST INCOME	8,400	2,335.89	14,973.62	0.00 (	6,573.62)	178.26
<u>MISCELLANEOUS</u>						
<u>TRANSFERS</u>						
TOTAL REVENUE	682,172	49,482.46	293,297.28	0.00	388,874.72	42.99

CITY OF CORINTH
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: APRIL 30TH, 2017

130-Economic Development Corp
DEPARTMENT - ECONOMIC DEVELOPMENT

% OF YEAR COMPLETED: 58.33

DEPARTMENTAL EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	TOTAL ENCUMBERED	BUDGET BALANCE	% YTD BUDGET
<u>WAGES & BENEFITS</u>						
130-1700-50100 SALARIES	94,760	7,289.24	51,024.68	0.00	43,735.32	53.85
130-1700-50203 LONGEVITY PAY	96	0.00	96.00	0.00	0.00	100.00
130-1700-50204 CAR ALLOWANCE	4,800	200.00	2,800.00	0.00	2,000.00	58.33
130-1700-50300 HEALTH INSURANCE	9,351	695.90	5,871.30	0.00	3,479.70	62.79
130-1700-50301 DENTAL INSURANCE	335	27.90	195.30	0.00	139.70	58.30
130-1700-50302 LIFE & DISABILITY INSURAN	366	29.40	205.80	0.00	160.20	56.23
130-1700-50303 BROKER FEES	208	19.90	120.22	0.00	87.78	57.80
130-1700-50304 PHS FEES	114	9.00	63.00	0.00	51.00	55.26
130-1700-50305 TMRS EMPLOYER	15,563	1,173.21	8,315.61	0.00	7,247.39	53.43
130-1700-50310 401A	390	30.00	225.00	0.00	165.00	57.69
130-1700-50316 EAP	17	1.59	11.13	0.00	5.87	65.47
130-1700-50317 COBRA ADMINISTRATION FEE	7	0.00	0.00	0.00	7.00	0.00
130-1700-50320 WORKERS COMP	282	25.77	185.26	0.00	96.74	65.70
130-1700-50401 MEDICARE EMPLOYER	1,458	109.68	786.07	0.00	671.93	53.91
130-1700-50405 TEXAS EMPLOYMENT COMM.	<u>180</u>	<u>9.00</u>	<u>9.00</u>	<u>0.00</u>	<u>171.00</u>	<u>5.00</u>
TOTAL WAGES & BENEFITS	127,927	9,620.59	69,908.37	0.00	58,018.63	54.65
<u>PROF. SERV & CONTRACTUAL</u>						
130-1700-51100 PROFESSIONAL SERVICES	68,876	0.00	50,000.00	10,000.00	8,876.00	87.11
130-1700-51300 LEGAL FEES	17,200	644.00	1,523.00	14,877.00	800.00	95.35
130-1700-51400 P&L INSURANCE	<u>1,586</u>	<u>136.49</u>	<u>934.79</u>	<u>0.00</u>	<u>651.21</u>	<u>58.94</u>
TOTAL PROF. SERV & CONTRACTUAL	87,662	780.49	52,457.79	24,877.00	10,327.21	88.22
<u>MAINTENANCE & OPERATIONS</u>						
130-1700-52000 ADVERTISING	7,500	0.00	362.52	0.00	7,137.48	4.83
130-1700-52002 POSTAGE	0	0.00	3.43	0.00	(3.43)	0.00
130-1700-52003 PRINTING	400	0.00	0.00	0.00	400.00	0.00
130-1700-52004 COPIER CHARGES	250	0.00	0.00	0.00	250.00	0.00
130-1700-52215 PROMOTIONAL FEES	16,450	1,850.00	2,450.00	0.00	14,000.00	14.89
130-1700-52230 PROJECT INCENTIVES	150,000	0.00	0.00	0.00	150,000.00	0.00
130-1700-52500 DUES & SUBSCRIPTIONS	<u>3,970</u>	<u>540.00</u>	<u>922.00</u>	<u>0.00</u>	<u>3,048.00</u>	<u>23.22</u>
TOTAL MAINTENANCE & OPERATIONS	178,570	2,390.00	3,737.95	0.00	174,832.05	2.09
<u>SUPPLIES</u>						
130-1700-53001 OFFICE SUPPLIES	<u>1,000</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>1,000.00</u>	<u>0.00</u>
TOTAL SUPPLIES	1,000	0.00	0.00	0.00	1,000.00	0.00
<u>UTILITIES & COMMUNICATION</u>						
130-1700-54100 TELEPHONE	156	6.02	36.12	0.00	119.88	23.15
130-1700-54105 INTERNET	384	35.72	179.88	0.00	204.12	46.84
130-1700-54106 AIRCARD	504	78.42	235.26	0.00	268.74	46.68
130-1700-54107 COMPUTER LICENSING	1,070	0.00	294.83	0.00	775.17	27.55
130-1700-54200 CELLPHONE	<u>900</u>	<u>75.00</u>	<u>525.00</u>	<u>0.00</u>	<u>375.00</u>	<u>58.33</u>
TOTAL UTILITIES & COMMUNICATION	3,014	195.16	1,271.09	0.00	1,742.91	42.17

CITY OF CORINTH
 REVENUE & EXPENSE REPORT (UNAUDITED)
 AS OF: APRIL 30TH, 2017

130-Economic Development Corp
 DEPARTMENT - ECONOMIC DEVELOPMENT

% OF YEAR COMPLETED: 58.33

DEPARTMENTAL EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	TOTAL ENCUMBERED	BUDGET BALANCE	% YTD BUDGET
<u>TRAVEL & TRAINING</u>						
130-1700-56000 TRAINING	11,075	700.00	3,883.00	0.00	7,192.00	35.06
130-1700-56100 TRAVEL/MEALS/LODGING	13,500	0.00	1,108.92	0.00	12,391.08	8.21
130-1700-56200 MILEAGE	<u>750</u>	<u>0.00</u>	<u>677.48</u>	<u>0.00</u>	<u>72.52</u>	<u>90.33</u>
TOTAL TRAVEL & TRAINING	25,325	700.00	5,669.40	0.00	19,655.60	22.39
<u>CAPITAL OUTLAY</u>						
130-1700-57000 CAPITAL OUTLAY	<u>125,000</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>125,000.00</u>	<u>0.00</u>
TOTAL CAPITAL OUTLAY	125,000	0.00	0.00	0.00	125,000.00	0.00
<u>TRANSFERS & COST ALLOC.</u>						
130-1700-59001 COST ALLOCATION OUT-GENER	93,302	0.00	93,302.00	0.00	0.00	100.00
130-1700-59101 TRANSFER OUT	50,000	0.00	50,000.00	0.00	0.00	100.00
130-1700-59111 TRANSFER OUT - TECH REPLA	<u>604</u>	<u>0.00</u>	<u>604.00</u>	<u>0.00</u>	<u>0.00</u>	<u>100.00</u>
TOTAL TRANSFERS & COST ALLOC.	143,906	0.00	143,906.00	0.00	0.00	100.00
<hr/>						
TOTAL ECONOMIC DEVELOPMENT	692,404	13,686.24	276,950.60	24,877.00	390,576.40	43.59
<hr/>						
TOTAL EXPENDITURES	692,404	13,686.24	276,950.60	24,877.00	390,576.40	43.59
REVENUE OVER/(UNDER) EXPENDITURES	(10,232)	35,796.22	16,346.68	(24,877.00)	(1,701.68)	83.37

EDC Special Session

1.

Meeting Date: 06/12/2017

Title: Update on the Hotel Feasibility Study

Submitted By: Jason Alexander, Director

Finance Review: N/A

Legal Review: N/A

City Manager Review:

AGENDA ITEM

Receive an update and hold a discussion on the Hotel Feasibility Study performed by CBRE Inc.

AGENDA ITEM SUMMARY/BACKGROUND

The Corinth Economic Development Corporation (CEDC) entered into a contract for service on March 30, 2017 with CBRE Inc. to perform a hotel feasibility study on the Corinth sub-market. The scope of the contract for service provided that CBRE Inc. would provide the CEDC with greater insight into the demand for lodging and related amenities (e.g., conference and meeting rooms); an estimate of the annual revenues and expenses that a new hotel in the Corinth sub-market could expect to generate; and the hotel brands that would perform the best in the Corinth sub-market.

Key findings from the hotel feasibility study includes the following:

- (1) There is demand within the Corinth sub-market for lodging and related amenities; however, the demand is considerably tempered by the number of hotel facilities present in Denton, including the forthcoming Embassy Suites Hotel adjacent to the University of North Texas, as well as the number of government employees seeking lodging in the area.
- (2) After visiting and studying the City, CBRE Inc. determined that the best site for new hotel development in the Corinth sub-market is the property located at the southwestern corner of the Interstate Highway 35E and Corinth Parkway interchange. The second best site for a hotel is the property at the northwestern corner of the Interstate Highway 35E and Post Oak Drive interchange adjacent to Ashton Gardens.
- (3) The number of guestrooms should probably be limited to 120 rooms, to ensure that the Corinth sub-market does not become saturated with guestrooms, nor that the remaining land available for retail and restaurant development in particular, becomes developed for hotel use.
- (4) There is demand for conference and meeting space, but the total amount of space for such facilities should not exceed 10,000 square feet.
- (5) Recommended hotel brands for the Corinth sub-market are Aloft, Four Points, Holiday Inn, Moxy by Marriott and Tru by Hilton.
- (6) Assuming that the hotel is constructed and opens its doors in July 2019, the annual occupancy rate for the Corinth sub-market is expected to increase from 66% to 70% over a five-year period.

Two key implications for the CEDC and the City emerge from the completed hotel feasibility study. The first focuses on the structure and recommendation of any incentives package to the City Council to assist with the development of one of the recommended hotel brands. Any such incentives package should include requirements that the hotel developer provide conference and meeting room space and a minimum number of years that the brand must remain in the market among other performance standards to maximize the community's return on investment. The second implication is ensuring that the brand is

recruited and located at the sites recommended by the hotel feasibility study. The sites have their advantages and disadvantages with respect to the other, and the Board of Directors should carefully consider the locations concerning traffic, desirability and creating opportunities for infill and redevelopment to support and/or offset any incentives offered.

The hotel feasibility study is attached for the Board of Directors to review.

RECOMMENDATION

N/A.

Fiscal Impact

Source of Funding: N/A.

FINANCIAL SUMMARY:

N/A.
