CITY OF WINDCREST ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS

Regular Meeting

August 29, 2016
6:00 P.M.

Windcrest City Hall

NOTICE IS HEREBY GIVEN THAT A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE WINDCREST ECONOMIC DEVELOPMENT CORPORATION (WEDC) WILL BE HELD AT WINDCREST CITY HALL, 8601 MIDCROWN, WINDCREST, TEXAS ON THE 29th DAY OF AUGUST 2016 STARTING AT 6:00 P.M. DURING THE MEETING, THE BOARD WILL CONSIDER, DELIBERATE AND MAY TAKE ACTION UPON ANY OF THE SUBJECTS LISTED BELOW.

IT IS THE INTENT OF THE BOARD TO HAVE A QUORUM PHYSICALLY PRESENT AT THE ABOVE ADDRESS. BOARD MEMBERS NOT PHYSICALLY PRESENT MAY PARTICIPATE BY LIVE TWOWAY VIDEO AND AUDIO FEED IN ACCORDANCE WITH THE TEXAS OPEN MEETINGS ACT. IF A QUORUM OF THE BOARD CANNOT BE PHYSICALLY PRESENT AT THE ABOVE ADDRESS, IT IS THE INTENT TO HAVE THE PRESIDING OFFICER PHYSICALLY PRESENT AT THE ABOVE ADDRESS.

Vision Statement: Nourish and develop a vibrant community that consistently pushes the limits.

Mission Statement: Facilitate interaction between business, city and other community organizations to nourish the economic health and well being of Windcrest, its citizens and the region.

Request all pagers and cell phones be turned off, except emergency on-call personnel. Citizens are asked to refrain from talking during proceedings unless recognized by the Presiding Officer.

CITIZEN COMMUNICATION: AS A COURTESY TO CITIZENS IN ATTENDANCE, AND AT THE DISCRETION OF THE PRESIDING OFFICER OF THE MEETING, CITIZENS WILL BE GIVEN A REASONABLE OPPORTUNITY TO STATE THEIR COMMENTS OR ASK QUESTIONS REGARDING ANY ITEM ON THE AGENDA, AND PRIOR TO THE BOARD TAKING ACTION ON ANY ACTION ITEMS LISTED. THE BOARD REQUESTS COMMENTS BE BRIEF, TO THE POINT, AND NO LONGER THAN 5 MINUTES. TIME CANNOT BE YIELDED TO ANOTHER SPEAKER.

Consistent with Windcrest City Council Resolution No. 292, the WEDC Board elects to audio and video record its meetings. The recordings are preserved electronically as the official minutes of its meetings.

I. Call To Order

1. Determination of a Quorum
2. Pledge of Allegiance
3. Prayer
4. Vote to consider the excuse of absent board member(s), if applicable

II. Visitors/Presentations

1. Report on Audit of WEDC (finance director)
2. Presentation by new business to Windcrest— Urban Air
3. Presentation by new business to Windcrest— HALFEN USA

III. Citizens to be Heard

1. Members of the public may sign up to provide public comments to the Board in accordance with Board and City ordinance and policy.

IV. Discuss and Act

1. Consider and take possible action to accept resignation of board member Beckie Gergen and thank her for her many years of service to the City of Windcrest.
2. Discussion, consideration and possible action concerning current budget and upcoming fiscal year budget.
3. Report on and consider and take possible action relating to quarterly investment report
4. Consider and take possible action on matters discussed in closed session.

V. Executive Session

1. Govt. Code 551.072, 551.071, 551.087 Consultation with Legal Counsel regarding real estate transactions, discussion regarding purchase, lease or exchange of real property within City of Windcrest, and economic development/redevelopment of property.
2. Pursuant to Govt. Code Sections 551.071 and 551.074, consultation with legal counsel regarding personnel and discussion regarding position of executive director and board member vacancy.

VI. General Announcements and Future Agenda Items Requested

VII. Adjournment

I, the undersigned authority, do hereby certify that the above Notice of Meeting of the Board of Directors of the WEDC is a true and correct copy of said Notice and I posted a true and correct copy of said Notice on the bulletin board at the Windcrest City Hall in a convenient place to the public. Said Notice was posted 72 hours prior to the 29th of August 2016.

By: Kelly Rodriguez

Kelly Rodriguez, City Secretary

I certify that the attached notice and agenda of items considered by the WEDC Meeting was removed by me from the City Hall bulletin board on the ____ of ______ 2016.

By:_______________________________________

Kelly Rodriguez, City Secretary

CITY OF WINDCREST
ECOONOMIC DEVELOPMENT CORPORATION
(A Component Unit of the City of Windcrest, Texas)

ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2015

Prepared by:

The Finance Department

CITY OF WINDCREST, TEXAS
ECONOMIC DEVELOPMENT CORPORATION
(A Component Unit of the City of Windcrest, Texas)

ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015

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CITY OF WINDCREST
ECONOMIC DEVELOPMENT CORPORATION
(A Component Unit of the City of Windcrest, Texas)

PRINCIPAL OFFICERS

SEPTEMBER 30, 2015

President	Tim Maloney
Vice President	Roy E. Wratislaw
Directors	Rebekah Gergen Sue Alexander Leonard A. Neeper Irv Gerrow Lisa Pepi
Executive Director	Robert Colunga

PATTILLO, BROWN & HILL, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS ■ BUSINESS CONSULTANTS

INDEPENDENT AUDITORS' REPORT

Board of Directors
City of Windcrest Economic Development Corporation
Windcrest, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the general fund of the City of Windcrest Economic Development Corporation (Corporation), a component unit of the City of Windcrest, Texas, as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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956.544.7778

TEMPLE, TX
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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the general fund of the City of Windcrest Economic Development Corporation as of September 30, 2015, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information for the general fund on pages 5 – 9 and 24, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 22, 2016, on our consideration of the Corporation' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control over financial reporting and compliance.

Waco, Texas
July 22, 2016

CITY OF WINDCREST
ECONOMIC DEVELOPMENT CORPORATION

Management's Discussion and Analysis

Our discussion and analysis of the financial performance of the City of Windcrest Economic Development Corporation (Corporation), a component unit of the City of Windcrest (City), provides an overview of the Corporation's financial activity for the fiscal year ended September 30, 2015. It should be read in conjunction with the financial statements.

FINANCIAL HIGHLIGHTS

- The Corporation's liabilities exceeded its assets by $441,670 (net position) at September 30, 2015. The Corporation commonly constructs capital assets that are transferred to the City upon completion. The deficit net position will eventually be eliminated by sales taxes collected in future years.
- The Corporation's total revenues were $477,553, while total expenses were $299,039, thereby increasing the Corporation's net position by $178,514.
- The Corporation reported an ending fund balance of $112,723, an increase of $64,958.

USING THIS ANNUAL FINANCIAL REPORT

This discussion and analysis is intended to serve as an introduction to the Corporation's basic financial statements, which are comprised of three parts – government-wide financial statements, fund financial statements, and notes to the financial statements. In addition to the basic financial statements, required supplementary information is also presented.

Government-Wide Financial Statements - The government-wide statements are designed to provide readers with a broad overview of the Corporation's finances in a manner similar to private-sector companies.

The *statement of net position* presents information on all of the Corporation's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the Corporation's financial condition is improving or deteriorating.

The *statement of activities* presents information showing how the Corporation's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected sales taxes).

Both the government-wide financial statements include functions of the Corporation that are principally supported by sales tax revenues (governmental activities). The government-wide financial statements can be found on pages 10 – 11.

Fund Financial Statements - A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Corporation, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with financial-related legal requirements. The only fund of the Corporation is considered a governmental fund.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources available for current spending, as well as on balances of resources available for spending at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than the government-wide financial statements, it is useful to compare the information presented for the governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and change in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

As mentioned above, the Corporation maintains one governmental fund, the general fund. Information is presented in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and change in fund balance. The basic governmental fund financial statements can be found on pages 12 – 15 of this report.

Notes to the Financial Statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 16 – 23 of this report.

Required Supplementary Information - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. The Corporation adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with this budget. Required supplementary information can be found on page 24 of this report.

Statement of Net Position

Table 1 shows all assets and liabilities of the Corporation and is presented on the accrual basis of accounting.

TABLE 1
CITY OF WINDCREST ECONOMIC DEVELOPMENT CORPORATION
STATEMENT OF NET POSITION

	2015	2014
ASSETS		
Cash	$ 189,196	$ 9,102
Taxes receivable	116,918	110,103
Capital assets (net of accumulated depreciation)	-	3,150
Total assets	306,114	122,355
LIABILITIES		
Current liabilities:		
Accounts payable	16,351	-
Due to City of Windcrest	145,000	40,000
Due to other governments	32,040	31,440
Noncurrent liabilities:		
Due within one year	118,717	117,196
Due in more than one year	435,676	553,903
Total liabilities	747,784	742,539
NET POSITION		
Net investment in capital assets	-	3,150
Restricted for economic development	(441,670)	(623,334)
	$(441,670)	$(620,184)

The Corporation's liabilities exceeded its assets by $441,670 (net position) at September 30, 2015. The Corporation regularly constructs capital assets that are transferred to the City upon completion. The deficit net position will eventually be eliminated by sales taxes collected in future years.

Statement of Activities

Table 2 shows all revenues and expenses of the Corporation and is also presented on the accrual basis of accounting. General revenues consist primarily of the ¼ cent sales tax the Corporation receives for economic development. The total cost of all projects and services was $299,039.

TABLE 2
CITY OF WINDCREST ECONOMIC DEVELOPMENT CORPORATION
CHANGES IN NET POSITON

	2015	2014
REVENUES		
Sales taxes	$ 476,705	$ 452,688
Interest income	271	27
Other	577	34
Total revenues	477,553	452,749
EXPENSES		
Economic development	280,785	3,791,342
Interest	18,254	30,325
Total expenses	299,039	3,821,667
CHANGES IN NET POSITION	178,514	(3,368,918)
NET POSITION - BEGINNING	(620,184)	2,748,734
NET POSITION - ENDING	$(441,670)	$(620,184)

The decrease in expenses from the previous year is attributable to a $3.5 million capital project that was completed and the capital asset transferred to the City in 2014.

FINANCIAL ANALYSIS OF THE GENERAL FUND

As noted earlier, the Corporation uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental fund – The focus of the Corporation's governmental fund is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Corporation's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the close of the current year, the Corporation's general fund reported an ending fund balance of $112,723, an increase of $64,958 from the prior year.

BUDGETARY HIGHLIGHTS

At the end of the current fiscal year, actual revenues were $10,315 less than budgetary estimates and actual expenditures were less than budgetary estimates by $51,475. As a result, fund balance increased $41,160 more than the final amended budgeted increase.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets – The Corporation's net investment in capital assets for its governmental activities as of September 30, 2015 amounted to zero (net of accumulated depreciation). This investment in capital assets includes buildings and improvements and furniture and equipment.

Please refer to Note III. C. (page 21) as presented in the notes to the financial statements for more detailed information on the Corporation's capital asset activity.

Long Term Debt – At the end of the current fiscal year, the Corporation had total debt outstanding of $554,393. The loan has a first lien on the Corporation's sales and use-tax revenue.

More detailed information about the Corporation's long-term liabilities is presented in Note III. D. (pages 21-22) of the notes to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Presently, the Board of Directors is not aware of any significant changes in conditions that would have a significant effect on the financial position or activities of the Corporation in the near future.

CONTACTING THE CORPORATION'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Corporation's finances and to show the Corporation's accountability to its taxpayers. If you have any questions about this report or need additional financial information, contact the City of Windcrest Finance Office.

BASIC
FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CITY OF WINDCREST, TEXAS
ECONOMIC DEVELOPMENT CORPORATION
(A Component Unit of the City of Windcrest, Texas)

STATEMENT OF NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Governmental Activities
ASSETS	
Cash	$ 189,196
Taxes receivable	116,918
Capital assets:	
Buildings and improvements	60,780
Furniture and equipment	19,364
Less: accumulated depreciation	(80,144)
Total assets	306,114
LIABILITES	
Accounts payable	16,351
Due to the City of Windcrest	145,000
Due to other governments	32,040
Noncurrent liabilities:	
Due within one year	118,717
Due in more than one year	435,676
Total liabilities	747,784
NET POSITION	
Unrestricted	(441,670)
Total net position	$(441,670)

The accompanying notes are an integral part of these financial statements.

CITY OF WINDCREST, TEXAS
ECONOMIC DEVELOPMENT CORPORATION
(A Component Unit of the City of Windcrest, Texas)

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2015

Functions/Programs	Expenses	Program Revenues	Net (Expense) Revenue and Changes in Net Positon Governmental Activities
GOVERNMENTAL ACTIVITIES:			
Economic development	$ 280,785	$ -	$(280,785)
Interest	18,254	-	(18,254)
Total governmental activities	$ 299,039	$ -	(299,039)
General revenues:			
Sales taxes			476,705
Interest income			271
Other			577
Total general revenues			477,553
Change in net position			178,514
Net position - beginning			(620,184)
Net position - ending			$(441,670)

The accompanying notes are an integral part of these financial statements.

GOVERNMENTAL FUND FINANCIAL STATEMENTS

CITY OF WINDCREST, TEXAS
ECONOMIC DEVELOPMENT CORPORATION
(A Component Unit of the City of Windcrest, Texas)

BALANCE SHEET

FOR THE YEAR ENDED SEPTEMBER 30, 2015

	General Fund
ASSETS	
Cash	$ 189,196
Taxes receivable	116,918
Total assets	$ 306,114
LIABILITIES	
Accounts payable	16,351
Due to the City of Windcrest	145,000
Due to other governments	32,040
Total liabilities	193,391
FUND BALANCES	
Restricted:	
Economic development	112,723
Total liabilities and fund balance	$ 306,114

The accompanying notes are an integral part of these financial statements.

CITY OF WINDCREST, TEXAS
ECONOMIC DEVELOPMENT CORPORATION
(A Component Unit of the City of Windcrest, Texas)

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2015

Total fund balances - governmental funds balance sheet	$	112,723
Amounts reported for governmental activities in the statement of net position are different because:		
Long-term liabilities, including bonds payable (net of unamortized costs), are not due and payable in the current period and, therefore, are not reported in the funds.	(	554,393)
Net position of governmental activities - statement of net position	$(	441,670)

The accompanying notes are an integral part of these financial statements.

CITY OF WINDCREST, TEXAS
ECONOMIC DEVELOPMENT CORPORATION
(A Component Unit of the City of Windcrest, Texas)

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED SEPTEMBER 30, 2015

	General Fund
REVENUES	
Sales taxes	$ 476,705
Investment earnings	271
Miscellaneous	577
Total revenues	477,553
EXPENDITURES	
Current:	
Economic development	277,352
Debt service:	
Principal	116,706
Interest	18,254
Capital outlay	283
Total expenditures	412,595
Excess (deficiency) of revenues over (under) expenditures	64,958
Fund balance - October 1 (beginning)	47,765
Fund balance - September 30 (ending)	$ 112,723

The accompanying notes are an integral part of these financial statements.

CITY OF WINDCREST, TEXAS
ECONOMIC DEVELOPMENT CORPORATION

(A Component Unit of the City of Windcrest, Texas)

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2015

Net change in fund balances - total governmental funds	$ 64,958
Amounts reported for governmental activities in the statement of activities are different because:	
Depreciation on capital assets is reported in the statement of activities but does not require the use of current financial resources. Therefore, depreciation is not reported as expenditures in the governmental funds.	(3,150)
The issuance of long-term debt (e.g., bonds, notes payable) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This reconciling item represents the net effect of these differences in the treatment of long-term debt and related items.	
Repayment of principal of long-term debt	116,706
Change in net position of governmental activities - statement of activities	$ 178,514

The accompanying notes are an integral part of these financial statements.

I. SUMMARY OF SIGNIFICANT ACCOUNT POLICIES

The City of Windcrest Economic Development Corporation (the Corporation) is a nonprofit industrial corporation, with powers of taxation, created pursuant to Section 4B Article 5190.6 of Vernon's Texas Civil Statutes as amended. The Corporation was created on September 25, 1998, to act on behalf of the City of Windcrest (the City) for the promotion, development and enhancement of economic development within the City.

The Corporation is considered to be a governmental entity for the purpose of applying accounting and financial reporting standards. Therefore, its basic financial statements are prepared in conformity with generally accepted accounting principles (GAAP) promulgated by the Governmental Accounting Standards Board (GASB).

A. REPORTING ENTITY

The Corporation is a component unit of the City. Accordingly, it is included in the City's financial statements as a discretely presented component unit. The reasons for meeting this criteria follow:

- The Board of Directors is comprised of seven (7) members, appointed by City Council.

- The Board has control over and management supervision of all affairs of the Corporation under the guidance and direction of City Council.

- The City Council approves the Corporation's programs and expenditures.

- A financial benefit/ burden exists.

The Corporation itself does not have any component units.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities are government-wide financial statements. They report information on all of the Corporation's activities. Governmental activities include programs primarily supported by sales taxes.

Net position is segregated into net investment in capital assets; restricted net position; and, unrestricted net position.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues, if any. Direct expenses are those that are clearly identifiable with a specific function. However, all of the Corporation's activities and programs are funded by general revenues (i.e. sales taxes).

The governmental fund financial statements provide reports on the financial condition and results of operations for the Corporation's general fund, which is its only fund.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements use the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

Governmental fund financial statements use the *current financial resources measurement focus* and the *modified accrual basis of accounting*. With this measurement focus, only current assets, current liabilities, and fund balances are included on the balance sheet. Operating statements of these funds present net increases and decreases in current assets (i.e. revenues and expenditures).

The modified accrual basis of accounting recognizes revenues in the accounting period in which they become both measurable and available. Revenues are considered to be available when they are collectible within the current period. For this purpose, the Corporation considers all revenues available if they are collectible within sixty (60) days after year end. Expenditures generally are recorded in the accounting period in which the fund liability is incurred, if measurable. However, debt service expenditures are recorded only when payment is due.

Sales tax revenue is recognized under the susceptible to accrual concept since it is collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Interest income is recorded as earned, since it is both measurable and available.

D. FUND ACCOUNTING

The Corporation reports the general fund as its only fund and it is considered to be a major fund. The general fund is the Corporation's primary operating fund that is used to account for all financial resources. Major revenue sources include sales taxes. Expenditures include all costs associated with the daily operations of the Corporation.

E. OTHER ACCOUNTING POLICIES

1. Cash

The Corporation's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

2. Capital Assets

Capital assets, which include construction in progress and public improvements, are reported in the governmental activities column in the government-wide financial statements. All costs associated with public improvement projects are capitalized. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed.

Capital assets, which include construction in progress, buildings and improvements, vehicles furniture and equipment, and improvements other than buildings, are reported in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost of $2,500 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add value to the asset or materially extend asset lives are not capitalized. When assets are retired or otherwise disposed of, the related costs or other recorded amounts are removed.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Building Improvements	5 - 50
Improvements Other than Buildings	20 - 50
Vehicles	3 - 10
Furniture and Equipment	3 - 10

3. Long-Term Obligations

In the government-wide financial statements, long-term debt is reported as non-current liabilities in the Statement of Net Position.

In the governmental fund financial statements, the face amount of debt issued, if any, is reported as other financing sources.

4. Fund Balance

The Corporation uses the following criteria when classifying fund balance amounts:

Nonspendable – amounts that are not in spendable form or are required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes stipulated by external resource providers either constitutionally or through enabling legislation. At September 30, 2015, the Corporation had $112,723 in restricted fund balance.

Committed – amounts that require Board action to be used for a specific purpose. Formal action to commit funds must occur prior to fiscal year end and can only be modified or removed by the same formal action.

Assigned – amounts that do not require Board approval but are intended to be used for a specific purpose, as determined by an official or body to which the Board has delegated authority. These amounts do not meet the criteria to be classified as restricted or committed.

Unassigned – residual amount of the general fund that is available to finance operating expenditures.

5. Net Position Flow Assumption

Sometimes the Corporation will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the Corporation's policy to consider restricted - net position to have been depleted before unrestricted – net position is applied.

6. Fund Balance Flow Assumptions

Sometimes the Corporation will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the Corporation's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

7. Sales Tax

The City's sales tax is currently levied at 2.00% of which .25% is allocated to the Corporation. The sales tax is used for the promotion and development of new and expanded business enterprises. During the year, the Corporation recognized $476,705 in sales taxes.

8. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain report amounts and disclosures. Accordingly, actual results could differ from those estimates.

II. BUDGETARY INFORMATION

The Board of Directors adopts an annual operating budget for the Corporation, which is approved by the City Council. Formal budgetary accounting is employed as a management control. The original adopted and final amended budget for revenues and expenditures and a comparison of the actual revenues and expenditures in the accompanying financial statements to the final amended budgeted amount is presented as required supplementary information. The budget can be amended by the Board of Directors, subject to City Council approval. During the year ended September 30, 2015, total expenditures were $51,475 less than budgeted expenditures.

III. DETAIED NOTES

A. CASH

At September 30, 2015, cash is comprised of $189,196 in demand accounts.

Custodial Credit Risk – Deposits. This is the risk that, in the event of a bank failure, the Corporation may not be able to recover deposits. At September 30, 2015, the deposits of $189,196 were held in the City's name and collateralized with pledged securities held in the name of the City. The Federal Reserve Bank is the safekeeping agent.

B. TAXES RECEVIABLE

At September 30, 2015, $116,918 is due from the Texas Comptroller of Public Accounts for collected but unremitted sales taxes.

C. CAPITAL ASSETS

Capital asset activity for the governmental activities for the year ended September 30, 2015, was as follows:

	Balance 10/01/14	Additions	Deletions	Balance 09/30/15
Capital Assets, Being Depreciated:				
Buildings and Improvements	60,780	-	-	60,780
Furniture and Equipment	19,364	-	-	19,364
Total capital assets being depreciated	80,144	-	-	80,144
Less Accumulated Depreciation for:				
Buildings and Improvements	(57,631)	(3,149)	-	(60,780)
Furniture and Equipment	(19,363)	(1)	-	(19,364)
Total accumulated depreciation	(76,994)	(3,150)	-	(80,144)
Total capital assets being depreciated, net	3,150	(3,150)	-	-
Governmental activities capital assets, net	$ 3,150	$(3,150)	$ -	$ -

Depreciation expense of governmental activities for the current year totaled $3,150.

D. LOAN PAYABLE

During 2011, the Corporation obtained a Texas Leverage Fund (TLF) loan from the Office of the Governor Economic Development and Tourism Division in the amount of $1,600,000 for the purpose of building a road for handling the increased employment traffic to the Rackspace location in the City. The interest rate is variable based on the federal fund's rate plus 3%; the federal fund's rate ranged from 0.00%-0.25%. The loan has a first lien on economic development sales tax receipts.

A summary of changes in the loan payable for the year ended September 30, 2015 follows:

Description	Final Maturity	Interest Rate Payable	Amount Outstanding 10/1/2014	Issued / Additions	Retired / Payments	Amount Outstanding 9/30/2015	Due Within One Year
TLF Loan Payable	1/1/2020	Federal Fund's Rate plus 3%	$ 671,099	$ -	$(116,706)	$ 554,393	$ 118,717

Annual debt service requirements to maturity for the loan payable follows:

Year Ending September 30,		Principal		Interest		Total Requirements
2016	$	118,717	$	16,244	$	134,961
2017		122,633		12,328		134,961
2018		126,678		8,282		134,960
2019		130,857		4,103		134,960
2020		55,508		415		55,923
Total	$	554,393	$	41,372	$	595,765

Interest expense for the current year totaled $18,254.

E. COMMITMENTS

In 2007, the City of Windcrest and the Corporation entered into an agreement with the City of San Antonio, Texas, under which the City of San Antonio released an area from its jurisdiction and allowed for the City of Windcrest to accept and annex the area into the municipal limits of the City of Windcrest. The boundary change agreement provides for the sharing of future tax revenues on the annexed area for the next 30 years. Under the terms of the agreement, the City of San Antonio and the City of Windcrest each receive 50% of the local sales taxes due to the City of Windcrest and distributed by the State Comptroller for taxable business activity conducted on the annexed area.

REQUIRED
SUPPLEMENTARY INFORMATION

CITY OF WINDCREST, TEXAS
ECONOMIC DEVELOPMENT CORPORATION

(A Component Unit of the City of Windcrest, Texas)

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Sales taxes	$ 487,618	$ 487,618	$ 476,705	$(10,913)
Investment earnings	250	250	271	21
Miscellaneous	-	-	577	577
Total revenues	487,868	487,868	477,553	(10,315)
EXPENDITURES				
Current:				
Salaries and benefits	-	-	3,150	(3,150)
Economic development projects	57,300	65,000	98,047	(33,047)
Contracted services	126,000	126,000	117,580	8,420
Other	127,550	126,350	58,575	67,775
Debt service:				
Principal retirement	103,049	103,049	116,706	(13,657)
Interest	31,911	31,911	18,254	13,657
Capital outlay	43,000	11,760	283	11,477
Total expenditures	488,810	464,070	412,595	51,475
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(942)	23,798	64,958	41,160
FUND BALANCE, BEGINNING	47,765	47,765	47,765	-
FUND BALANCE, ENDING	$ 46,823	$ 71,563	$ 112,723	$ 41,160

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED SEPTEMBER 30, 2015

Budgets

The Board of Directors adopts an annual operating budget for the Corporation, which is approved by the City Council. Formal budgetary accounting is employed as a management control. The original adopted and final amended budget for revenues and expenditures and a comparison of the actual revenues and expenditures in the accompanying financial statements to the final amended budgeted amount is presented as required supplementary information. The budget can be amended by the Board of Directors, subject to City Council approval. During the year ended September 30, 2015, total expenditures were $51,475 less than budgeted expenditures.

GOVERNMENT AUDITING STANDARDS REPORT

PATTILLO, BROWN & HILL, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS ■ BUSINESS CONSULTANTS

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
City of Windcrest Economic Development Corporation
Windcrest, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the general fund of the City of Windcrest Economic Development Corporation (Corporation), a component unit of the City of Windcrest, Texas, as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements, and have issued our report thereon dated July 22, 2016.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Corporation's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

WACO, TX
401 West Highway 6
Waco, Texas 76710
254.772.4901
www.pbhcpa.com

HOUSTON, TX
281.671.6259

RIO GRANDE VALLEY, TX
956.544.7778

TEMPLE, TX
254.791.3460

ALBUQUERQUE, NM
505.266.5904

AICPA
Governmental Audit Quality Center

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Corporation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

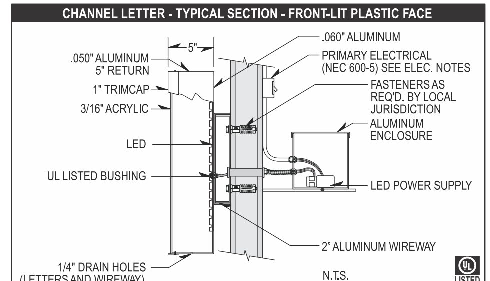
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Waco, Texas
July 22, 2016

LED CHANNEL LETTERS	
MATERIAL	COLOR
.040 ALUMINUM RETURNS	BLACK
.063 ALUMINUM BACKS	WHITE
3/16" ACRYLIC FACES	WHITE
1" JEWELITE TRIM CAP	BLACK
CLASS 2 LEDS & POWER SUPPLY	WHITE
WIRE-WAY/RACE-WAY	FASCIA
VINYL 3M ORANGE	3630-44
VINYL 3M BLACK PERFORATED	3635-222
VINYL 3M BLACK	3630-22

SCOPE OF WORK: FABRICATE & INSTALL (1) ONE SET OF FRONT ILLUMINATED LED CHANNEL LETTERS

CHANNEL LETTER - TYPICAL SECTION - FRONT-LIT PLASTIC FACE



ELECTRICAL NOTES

Sign Company DOES NOT provide primary electrical to sign.
Power to the sign must be done by a licensed electrical contractor or licensed electrician.
Each sign must have: **1.** A minimum of one dedicated 120V 20A circuit
2. Junction box installed within 6 feet of sign
3. Three wires: Line, Ground, Neutral

LEGACY SIGNS of Texas

10375 Alta Vista Road, Keller, TX 76244 | O 817.431.5700 / F 817.431.5799

UL 100525-147 TDLR 81934

CONCEPT ART, NOT FOR PRODUCTION

JOB DESCRIPTION	LED CHANNEL LETTERS	DATE	BY
COMPANY OR JOB NAME	URBAN AIR	7-25-16	LM
CUSTOMER CONTACT	CLINT SCHROFF		
ADDRESS	8600 FOURWINDS #8510A, SAN ANT.		
PHONE	919-357-4240	SALES REP	
EMAIL	CLINT@REGTEXAS.COM	VAN MILLER	
STOREFRONT LF	??? LF	PAGE	
SIGN SF	256 SF + NON LIT LETTERS	1 OF 2	

CUSTOMER APPROVAL: Note: The colors depicted on this rendering may not match actual colors used on the finished display. Note: The proportion of signs shown on building and landscape area photos is an approximate representation.
PLEASE READ CAREFULLY: Before you OK this proof, please read your copy carefully and completely. Check for spelling errors and copy omissions. Any changes or alterations from the original instructions will be charged according to time and material.
FINAL PROOF APPROVAL: By signing this form I am approving the above described job and I hereby acknowledge that I have read and accept the proofing policy and Terms and Conditions of Legacy Signs of Texas. Please sign and return so that we may process your order.
CLIENT SIGNATURE: ______________________ **DATE:** ________

SCOPE OF WORK: FABRICATE & INSTALL (1) ONE SET OF PYLON FACES
*LEXAN OR FLEXIBLE FACES TO BE DECIDED (DOUBLE SIDED)
*VINYL GRAPHICS > 3M BLACK & ORANGE TRANSLUCENT
*REPLACE MISSING RETAINERS
*SCALE PENDING SURVEY

LEGACY SIGNS of Texas
10375 Alta Vista Road, Keller, TX 76244 | O 817.431.5700 / F 817.431.5799
UL 100525-147 TDLR 81934

CONCEPT ART, NOT FOR PRODUCTION

JOB DESCRIPTION	PYLON FACES	DATE	BY
COMPANY OR JOB NAME	URBAN AIR	7-25-16	LM
CUSTOMER CONTACT	CLINT SCHROFF		
ADDRESS	8600 FOURWINDS #8510A, SAN ANT.		
PHONE	919-357-4240	SALES REP	
EMAIL	CLINT@REGTEXAS.COM	VAN MILLER	
STOREFRONT LF	NA	PAGE	
SIGN SF	187 SF + NON LIT LETTERS	2 OF 2	

CUSTOMER APPROVAL: Note: The colors depicted on this rendering may not match actual colors used on the finished display. Note: The proportion of signs shown on building and landscape area photos is an approximate representation.
PLEASE READ CAREFULLY: Before you OK this proof, please read your copy carefully and completely. Check for spelling errors and copy omissions. Any changes or alterations from the original instructions will be charged according to time and material.
FINAL PROOF APPROVAL: By signing this form I am approving the above described job and I hereby acknowledge that I have read and accept the proofing policy and Terms and Conditions of Legacy Signs of Texas. Please sign and return so that we may process your order.
CLIENT SIGNATURE: ______________________ DATE: ________

The company

With the company headquarters located in Langenfeld, Germany, HALFEN is one of the leading international companies in the following fields:

• Anchoring technology
• Reinforcement technology
• Mounting/framing technology
• Facade fixing technology
• Transport anchor systems
• Tension rod systems

We offer our customers a vast range of products and provide the technical solutions for application in construction and industrial projects. Architects and engineers take advantage of our products and our technical software in their projects. Construction companies, precast factories, and (distributors / resellers) use our wide selection of products in commercial and residential construction, for civil engineering, excavation projects, for traffic and all types of infrastructure developments. Customers in industry refer to HALFEN for technical solutions in mechanical engineering, vehicle manufacturing, plant engineering, the chemical industry, and also for many other types of industrial projects.

We trust in the power of the brand: HALFEN is an internationally renowned, leading brand.

The basis of our success is world-wide, long-term partnerships with our customers and suppliers. More than 1,100 HALFEN employees strive for a common interest, with inestimable commitment to increasing value; with a strong focus on quality, customer service, and innovation. We are a socially responsible, environmentally sensitive organization, which looks beyond the immediate (construction site/project) in order to further develop the wider community.

Since being founded in 1929, the company’s objective has been to offer customers individual solutions with the emphasis on quality, safety, and technology. In order to be able to reduce reaction time on customer requests, HALFEN believes in close proximity to the customer. With our own subsidiaries or via distributors we have achieved this target in more than 60 countries world-wide.

In 2006, HALFEN joined the CRH group; CRH plc Ireland is a regional, national and international market leader in the construction (materials) industry. With expansion in mind in production and in world-wide distribution of products and technical solutions, we will continue our strategy of developing new markets; and take additional steps to get even closer to our customers: to you.

City of Windcrest
Approved Budget
As of: September 30^{th}, 2016

Windcrest Economic Development Corporation

Fiscal Year 2016-2017 Budget Summary:

The current proposed budget for the Windcrest Economic Development Corporation is provided. There are no changes at this time. However, once the WEDC is fully staffed, the salaries and corresponding benefits will be adjusted accordingly and a budget amendment will be presented for approval. This anticipates a mid-year budget amendment to increase the salary and benefits accounts as needed.

APPROVED BUDGET
AS OF: SEPTEMBER 30TH, 2016

13 -ECONOMIC DEVELOPMENT CORP
REVENUES

		2012-2013 ACTUAL	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 Y-T-D ACTUAL	2015-2016 PROJECTED YEAR END	2016-2017 REQUESTED BUDGET	2016-2017 APPROVED BUDGET
BEGINNING FUND BALANCE		1,871,602	385,967	47,764	112,723	112,723	112,723	308,926	308,926
4105	INCOME - OTHER	7,047	34	577	0	0	0	0	____________
4110	INCOME - OTHER (HOT)	0	0	0	0	0	0	0	____________
4111	INCOME - OTHER (GEN.FUND)	75,000	0	0	0	0	0	0	____________
4112	INCOME-WALZEM RD GRANT	0	0	0	0	0	0	0	____________
4113	INCOME-CORPORATE DONATIONS	0	0	0	0	0	0	0	____________
4115	SALES TAX (.25)	443,534	452,688	476,705	502,247	321,561	502,247	510,000	____________
4301	INTEREST	117	25	273	250	93	250	250	____________
4900	PROCEEDS FROM CAPITAL LEASE	0	0	0	0	0	0	0	____________
TOTAL REVENUES		525,698	452,748	477,555	502,497	321,654	502,497	510,250	
		===========	===========	===========	===========	===========	===========	===========	===========

APPROVED BUDGET
AS OF: SEPTEMBER 30TH, 2016

13 -ECONOMIC DEVELOPMENT CORP
00-GENERAL EXPENDITURES
DEPARTMENT EXPENSES

	2012-2013 ACTUAL	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 Y-T-D ACTUAL	2015-2016 PROJECTED YEAR END	2016-2017 REQUESTED BUDGET	2016-2017 APPROVED BUDGET
SALARIES & BENEFITS								
500-009 SALARIES - EDC	42,398	3,863	0	0	0	0	120,000	____________
500-010 ADMINISTRATIVE EXPENSES	4,040	4,000	10,687	37,000	0	0	0	____________
500-011 EDC LONGEVITY	0	0	0	0	0	0	0	____________
500-013 STIPEND	1,872	0	0	0	0	0	0	____________
500-018 EDC EDUCATION PAY	0	0	0	0	0	0	0	____________
500-020 EDC OVERTIME	0	0	0	0	0	0	2,000	____________
500-030 SOCIAL SECURITY-EDC	3,663	0	0	0	0	0	9,180	____________
500-040 HEALTH INSURANCE-EDC	10,129	0	3,007	0	0	0	14,717	____________
500-050 RETIREMENT-EDC	3,166	0	0	0	0	0	7,800	____________
500-060 WORKERS COMPENSATION-EDC	0	0	0	0	0	0	500	____________
500-070 UNEMPLOYMENT COMPENSATION	135	135	0	0	0	0	500	____________
500-080 CONTRACT LABOR	70,600	90,000	96,275	96,000	57,938	57,938	0	____________
500-095 TERMINATION PAYOUT	0	0	0	0	0	0	0	____________
TOTAL SALARIES & BENEFITS	136,003	97,998	109,969	133,000	57,938	57,938	154,697	
OTHER EXPENSES								
500-100 PUBLIC RELATION FEES-GENERAL	0	0	0	0	0	0	0	____________
500-115 MOBILE TELEPHONE	831	105	52	0	0	0	1,200	____________
500-120 DUES & SUBSCRIPTIONS	2,502	3,119	3,804	3,000	2,539	3,000	3,000	____________
500-130 TRAINING	1,055	7,776	2,283	8,000	2,449	8,000	7,000	____________
500-132 TRAVEL	8,677	6,020	8,609	18,000	5,747	13,000	18,000	____________
500-135 MEALS & ENTERTAINMENT	5,901	5,355	10,198	7,000	4,556	7,000	7,000	____________
500-200 COMPUTER MAINTENANCE	1,752	1,630	407	4,500	1,642	3,500	4,000	____________
500-201 WEBSITE MAINTENANCE	313	2,458	575	2,000	183	1,500	1,500	____________
500-205 REPAIRS & MAINT OF BUILDING	128	94	264	1,674	208	1,674	1,000	____________
500-250 LEGAL EXPENSES	30,150	64,064	21,305	30,000	8,414	25,000	25,000	____________
500-290 AUDIT	4,900	5,500	5,500	3,500	3,500	3,500	3,500	____________
500-430 SUPPLIES	1,625	2,746	2,225	3,250	967	2,500	3,000	____________
500-440 ELECTION EXPENSES	0	122	232	2,500	0	0	0	____________
500-510 VEHICLE EXPENSE-EDC	0	20	340	0	0	0	0	____________
500-515 HEALTH EXPENSE ALLOW-DIRECTOR	0	0	(0)	0	0	0	0	____________
500-520 MOVING EXPENSE-DIRECTOR	0	0	143	0	0	0	0	____________
500-540 VEHICLE FUEL	48	62	111	1,000	138	750	1,000	____________
500-590 POSTAGE	101	14	16	500	29	250	500	____________
500-630 LEGAL ADVERTISING	0	776	0	0	0	0	0	____________
500-640 COPIER USAGE	0	1,443	0	1,443	0	0	0	____________
500-650 WALZEM RD GRANT EXPENSES	0	0	0	0	0	0	0	____________
500-700 CONTINGENCIES	4,294	4,832	6,277	4,620	2,377	4,620	4,620	____________
TOTAL OTHER EXPENSES	62,276	106,134	62,341	90,987	32,749	74,294	80,320	

500-201 WEBSITE MAINTENANCE PERMANENT NOTES:
AT&T DATA CHARGE

	2012-2013 ACTUAL	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 Y-T-D ACTUAL	2015-2016 PROJECTED YEAR END	2016-2017 REQUESTED BUDGET	2016-2017 APPROVED BUDGET
CAPITAL EXPENSES								
500-800 EDC PROJECTS	24,055	23,115	90,380	80,000	5,814	30,000	78,000	____________
500-801 PROMOTING WINDCREST	32,851	5,572	13,949	48,671	7,694	20,000	45,000	____________
500-810 CAPITAL EXPENSE	2,520	502	283	0	0	0	0	____________

APPROVED BUDGET
AS OF: SEPTEMBER 30TH, 2016

13 -ECONOMIC DEVELOPMENT CORP
00-GENERAL EXPENDITURES

DEPARTMENT EXPENSES	2012-2013 ACTUAL	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 Y-T-D ACTUAL	2015-2016 PROJECTED YEAR END	2016-2017 REQUESTED BUDGET	2016-2017 APPROVED BUDGET
500-890 TLF LOAN PAYMENTS	341,089	280,800	116,706	103,049	69,277	110,096	138,180	___________
500-891 RACKER ROAD PROJECT	1,368,667	177,528	0	0	0	0	0	___________
500-892 TLF INTEREST	43,872	30,325	18,254	31,911	9,988	13,966	13,204	___________
TOTAL CAPITAL EXPENSES	1,813,053	517,841	239,573	263,631	92,773	174,062	274,384	

500-800 EDC PROJECTS PERMANENT NOTES:
STORE FRONT IMPROVEMENT PROJECTS

OTHER INCOME/EXPENSES	2012-2013 ACTUAL	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 Y-T-D ACTUAL	2015-2016 PROJECTED YEAR END	2016-2017 REQUESTED BUDGET	2016-2017 APPROVED BUDGET
500-900 PRIOR PERIOD ADJUSTMENT	0	0	(6,954)	0	0	0	0	___________
TOTAL OTHER INCOME/EXPENSES	0	0	(6,954)	0	0	0	0	
TOTAL 00-GENERAL EXPENDITURES	2,011,333	721,972	404,929	487,618	183,459	306,294	509,401	

APPROVED BUDGET
AS OF: SEPTEMBER 30TH, 2016

13 -ECONOMIC DEVELOPMENT CORP
00-GENERAL EXPENDITURES

DEPARTMENT EXPENSES	2012-2013 ACTUAL	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 Y-T-D ACTUAL	2015-2016 PROJECTED YEAR END	2016-2017 REQUESTED BUDGET	2016-2017 APPROVED BUDGET
TRANSFERS								
900-500 TRANSFER TO GEN. FUND	0	68,978	7,667	0	23,000	0	0	____________
TOTAL TRANSFERS	0	68,978	7,667	0	23,000	0	0	
TOTAL EXPENDITURES	2,011,333	790,950	412,595	487,618	206,459	306,294	509,401	
REVENUE OVER/(UNDER) EXPENDITURES	(1,485,635)	(338,203)	64,959	14,879	115,195	196,203	849	
PROJECTED ENDING FUND BALANCE	385,967	47,764	112,723	127,602	227,918	308,926	309,775	

*** END OF REPORT ***

Windcrest EDC
Quarterly Investment Report
April 1, 2016 to June 30, 2016
Portfolio Summary Management Report

Portfolio as of April 1, 2016			***Portfolio as of June 30, 2016***		
Beginning Book Value	$	293,795	Ending Book Value	$	348,592
Beginning Market Value	$	293,795	Ending Market Value	$	348,592
			Investment Income for the quarter	$	92
Unrealized Gain / Loss	$	-	Unrealized Gain/Loss	$	-
			Change in Unrealized Gain/Loss	$	-
			*Change in Market Value:	$	54,797

Authorized by:

Donald Hakala
Municipal Finance Officer, CPA

EDC Director

This report is prepared in compliance with the City's Investment Policy and reporting requirements in the Government Code Chapter 2256.

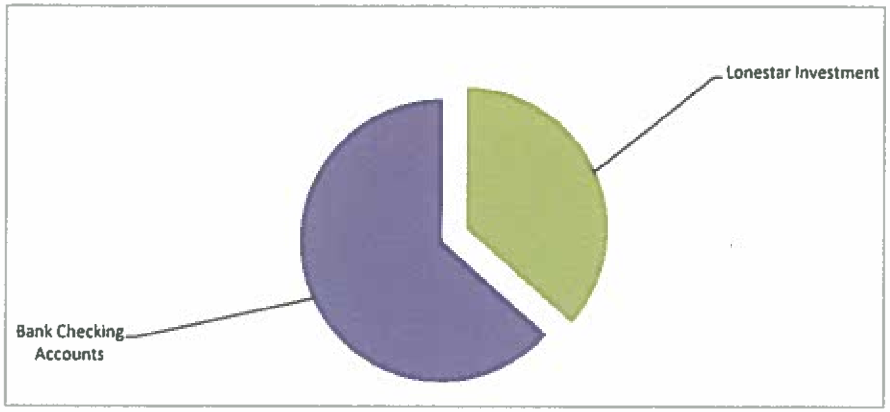
*Change in Market Value is required data, but will primarily reflect the receipt and expenditures of the City's funds from quarter to quarter

Your Portfolio

As of June 30, 2016

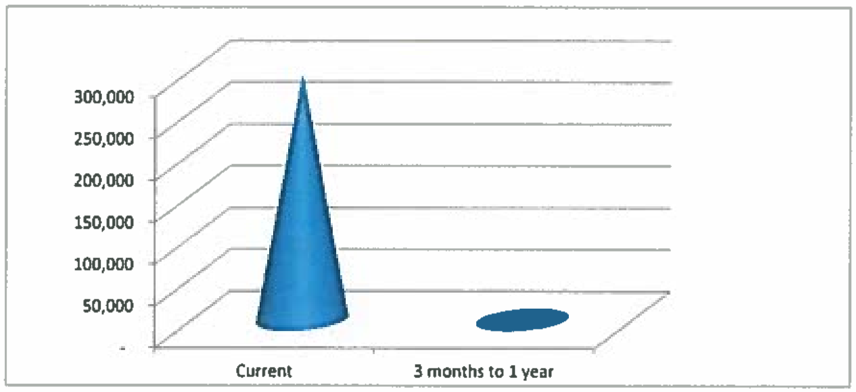
Your portfolio by diversification.

Lonestar Investment	107,362
Bank Checking Accounts	241,230



Your portfolio by maturity.

Current	348,592
3 months to 1 year	-



Your Portfolio

As of June 30, 2016

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term (days)
Investment Pools	107,362	107,362	107,362	30.80%	1
Money Market Funds	-	-	-	0.00%	1
Bank Accounts	241,230	241,230	241,230	69.20%	1
CDs	-	-	-	0.00%	129/365

WINDCREST EDC FINANCE SUMMARY
For the Period Ending June 30, 2016

Acct Code	Frost Bank Accounts:			Account	Rate	Term (days)
13-1102	Pooled Cash*****		$	201,830		
13-1105	Economic Development Corporation		$	39,400	0.0010%	1
13-1115	Economic Development Corporation Lonestar Investment Pool		$	-	0.0010%	1
13-1116	Economic Development Corporation Escrow		$	-	0.0010%	1
	Total - Frost National Bank		$	**241,230**	0.0010%	1
	INVESTMENTS:					
			$	107,362	0.0000%	1
13-1118	Lonestar Investment Pool	107,361.70				
	TOTAL ALL FUNDS		$	**348,592**		

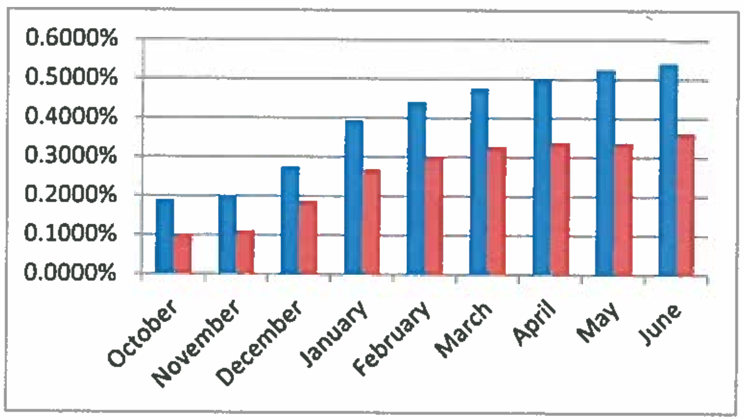
Fund	Fund Title	Balance	Interest Earned
13	Eonomic Development	348,592.09	91.60
	Total	**348,592.09**	91.60

FROST - ALL ACCOUNTS

	2009-10	2010-11	2011-12	2012-2013	2013-14	2014-15	2015-16
October	0.5000%	0.0010%	0.0010%	0.0010%	0.0010%	0.0010%	0.0010%
November	0.5000%	0.0010%	0.0010%	0.0010%	0.0010%	0.0010%	0.0010%
December	0.5000%	0.0010%	0.0010%	0.0010%	0.0010%	0.0010%	0.0010%
January	0.5000%	0.0010%	0.0010%	0.0010%	0.0010%	0.0010%	0.0010%
February	0.5000%	0.0010%	0.0010%	0.0010%	0.0010%	0.0010%	0.0010%
March	0.5000%	0.0010%	0.0010%	0.0010%	0.0010%	0.0010%	0.0010%
April	0.0010%	0.0010%	0.0010%	0.0010%	0.0010%	0.0010%	0.0010%
May	0.0010%	0.0010%	0.0010%	0.0010%	0.0010%	0.0010%	0.0010%
June	0.0010%	0.0010%	0.0010%	0.0010%	0.0010%	0.0010%	0.0010%
July	0.0010%	0.0010%	0.0010%	0.0010%	0.0010%	0.0010%	0.0010%
August	0.0010%	0.0010%	0.0010%	0.0010%	0.0010%	0.0010%	0.0010%
September	0.0010%	0.0010%	0.0010%	0.0010%	0.0010%	0.0010%	0.0010%

No graph for Frost Accounts.

Lonestar vs. TexPool Rates



	2015-16 Lonestar	2015-16 TexPool
October	0.1893%	0.0966%
November	0.1967%	0.1105%
December	0.2743%	0.1863%
January	0.3929%	0.2674%
February	0.4390%	0.3010%
March	0.4752%	0.3273%
April	0.4983%	0.3377%
May	0.5235%	0.3374%
June	0.5400%	0.3613%
July		
August		
September		