City of Copperas Cove
Information Item No. 1
February 7, 2012

Quarterly Financial Statements

Contact – Polo Enriquez, CCEDC Executive Director, 547-7874
polo.enriquez@copperascove-edc.com

SUBJECT: **Financial Report for the month ending December 31, 2011.**

---

1. PROJECT DESCRIPTION

Attached are the Quarterly Financial Statements for the three months ending December 31, 2011. The statements are submitted to the City Council for review per Section 5.02 of the CCEDC Corporate Bylaws, which states, "Once a quarter the Corporation shall submit to the Unit a Quarterly Report containing unaudited financial status and other significant activities of the Corporation."

2. BACKGROUND/HISTORY

None.

3. FINDINGS/CURRENT ACTIVITY

None.

4. FINANCIAL IMPACT

None.

COPPERAS COVE ECONOMIC DEVELOPMENT CORPORATION

QUARTERLY FINANCIAL STATEMENTS

FOR THE MONTHS OF

OCTOBER, NOVEMBER AND DECEMBER 2011

FIRST QUARTER FISCAL YEAR 2011-2012

Copperas Cove Economic Development Corporation

Balance Sheet

As of December 31, 2011

		Dec 31, 11
ASSETS		
Current Assets		
Checking/Savings		
Checking Account #56002120		34,784.49
Money Market #57002271		2,175,762.64
Sales Tax Rev. Fund #57002640		13,096.42
Sales Tx. Skg. Fund #57002608		69,569.76
Total Checking/Savings		2,293,213.31
Accounts Receivable		
Projected Sales Tax		190,049.02
Total Accounts Receivable		190,049.02
Total Current Assets		2,483,262.33
Fixed Assets		
Improvements other than Bldgs.		
Digital Sign	221,978.00	
Accum. Depr.-Sign	-22,197.75	
Total Improvements other than Bldgs.		199,780.25
Building & Improvements		
Buildings & Improvements	177,381.34	
Accum. Depr. - Bldg. & Impr.	-95,746.72	
Total Building & Improvements		81,634.62
Equipment		
Equipment	104,460.55	
Acctg. Software (AccuFund)	-278.00	
Accum. Depr.-Equipment	-98,026.07	
Total Equipment		6,156.48
Land Property		
Land Purchase	1,975,859.56	
Land Property - Other	389,210.89	
Total Land Property		2,365,070.45
Total Fixed Assets		2,652,641.80

Copperas Cove Economic Development Corporation

Balance Sheet

As of December 31, 2011

		Dec 31, 11
Other Assets		
Deferred Contributions		1,304,593.43
Total Other Assets		1,304,593.43
TOTAL ASSETS		**6,440,497.56**
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
Accounts payable		2,342.89
Total Accounts Payable		2,342.89
Other Current Liabilities		
Accrued Interest		5,980.00
Cinergy Cinemas Escrow		2,000.00
Direct Deposit Liabilities		0.02
Employee Paid Dep. Insur.		-253.60
Payroll Liabilities		4,724.80
Total Other Current Liabilities		12,451.22
Total Current Liabilities		14,794.11
Long Term Liabilities		
Bonds payable		600,000.00
Total Long Term Liabilities		600,000.00
Total Liabilities		614,794.11
Equity		
Committed Fund Balance		1,100,000.00
Retained Earnings		1,425,319.67
Unassigned Fund Balance		
Prior Period Adjustment	247,954.00	
Unassigned Fund Balance - Other	2,916,426.98	
Total Unassigned Fund Balance		3,164,380.98
Net Income		136,002.80
Total Equity		5,825,703.45
TOTAL LIABILITIES & EQUITY		**6,440,497.56**

Copperas Cove Economic Development Corporation

Operating Profit & Loss Budget vs. Operating Actual Cashflow

October through December 2011

First Quarter FY2011-2012

	Oct - Dec 11	Budget	% of Budget
Ordinary Income/Expense			
Income			
Income			
State Sales Tax	296,032.77	1,103,000.00	26.84%
Local Sales Tax	3,219.89	11,000.00	29.27%
Interest Earnings	180.71	1,200.00	15.06%
Digital Sign - Outside Sales	0.00	55,000.00	0.0%
Digital Sign - Cinergy Cinemas	4,000.00	6,000.00	66.67%
Property Sale (SAFH-Phase 1)	0.00	900,000.00	0.0%
Total Income	303,433.37	2,076,200.00	14.62%
Total Income	303,433.37	2,076,200.00	14.62%
Expense			
Personnel			
Educational Assistance	0.00	1,500.00	0.0%
Business Development Director	11,151.47	44,238.00	25.21%
Part Time Emp.(2 positions)	1,675.00	40,000.00	4.19%
Exec. Director Car Allowance	900.00	3,600.00	25.0%
Executive Director Salary	22,687.50	90,000.00	25.21%
Medical Plan/Emp. Insurance	7,678.89	27,000.00	28.44%
Office Administrator	9,164.68	36,356.00	25.21%
Payroll Expenses	3,405.83	26,000.00	13.1%
Pension Plan	4,999.81	20,000.00	25.0%
Workers Compensation Insuran	129.99	1,000.00	13.0%
Salary Adjustment-COLA 1.5%	71.08	3,213.00	2.21%
Total Personnel	61,864.25	292,907.00	21.12%
Business Retention			
Consultants(Business Retention)	430.48	10,000.00	4.31%
Bu. Ret. & Exp. Survey(BREP)	2,560.00	10,000.00	25.6%
Advertising & Marketing	2,000.00	4,000.00	50.0%
Memberships	0.00	1,500.00	0.0%
Travel	0.00	1,000.00	0.0%
Incentive Fund	3,370.00	50,000.00	6.74%
Business Retention Software	0.00	200.00	0.0%
Total Business Retention	8,360.48	76,700.00	10.9%
Business Attraction			
Go West Campaign-Local Mktg.	2,028.75	3,500.00	57.96%

Copperas Cove Economic Development Corporation

Operating Profit & Loss Budget vs. Operating Actual Cashflow

October through December 2011

First Quarter FY2011-2012

	Oct - Dec 11	Budget	% of Budget
HOTDA-Military Rel. Eco. Dev.	12,500.00	50,000.00	25.0%
Prospect. Gen. Svcs. - WEDA	8,000.00	8,500.00	94.12%
Joint Image Camp.-Local Mktg.	2,500.00	8,000.00	31.25%
Ft. Hood Eco. Reg.-Reg. Mktg.	0.00	12,000.00	0.0%
Texas One - Nat. Mrktg.	0.00	1,000.00	0.0%
Team Texas - Nat. Mrktg.	0.00	10,000.00	0.0%
Adv. & Marketing-Mktg. of Proj	14,294.39	25,000.00	57.18%
Site Consultant Outreach	0.00	40,000.00	0.0%
Research/Studies/Demographics	150.00	5,000.00	3.0%
Bus. Attraction Travel	2,537.91	30,000.00	8.46%
Incentives	0.00	200,000.00	0.0%
Business Attraction Software	0.00	1,000.00	0.0%
Total Business Attraction	42,011.05	394,000.00	10.66%
General Administration			
Alarm System (Bldg.)	0.00	600.00	0.0%
Audit-Financial Services	0.00	7,500.00	0.0%
Community Relations	4,465.65	13,500.00	33.08%
Consultant(s)	0.00	5,000.00	0.0%
Copier Lease	509.25	2,100.00	24.25%
Copier-Color Copy Charges	310.01	1,900.00	16.32%
Furniture/Office Decor	0.00	6,000.00	0.0%
General Insurance			
General Liability	380.26	1,600.00	23.77%
D & O Insurance	306.51	1,400.00	21.89%
Total General Insurance	686.77	3,000.00	22.89%
Legal	1,160.00	12,000.00	9.67%
Membership-Dues			
AUSA	150.00	150.00	100.0%
IEDC	765.00	765.00	100.0%
TEDC	0.00	195.00	0.0%
AAF	0.00	250.00	0.0%
CC Chamber	0.00	250.00	0.0%
Miscellaneous	0.00	150.00	0.0%
Total Membership-Dues	915.00	1,760.00	51.99%
Office Supplies	779.88	6,500.00	12.0%
Office Equipment	0.00	1,000.00	0.0%
Postage Machine Lease	0.00	1,200.00	0.0%

Copperas Cove Economic Development Corporation

Operating Profit & Loss Budget vs. Operating Actual Cashflow

October through December 2011

First Quarter FY2011-2012

	Oct - Dec 11	Budget	% of Budget
Postage & Shipping	272.16	3,000.00	9.07%
Seminar-Training-Prof. Dev.	2,270.00	8,000.00	28.38%
Subscriptions-Publications	959.95	5,000.00	19.2%
Technology Equipment Services			
Equipment	1,029.00	1,500.00	68.6%
Internet	602.89	2,500.00	24.12%
Website	443.40	1,000.00	44.34%
Maintenance/Service Calls	2,625.00	7,500.00	35.0%
Total Technology Equipment Se	4,700.29	12,500.00	37.6%
Software			
Accounting	894.00	1,200.00	74.5%
Security	0.00	500.00	0.0%
Total Software	894.00	1,700.00	52.59%
Telephone(s)	1,277.31	8,500.00	15.03%
Travel (Training)	2,460.84	7,500.00	32.81%
Total General Administration	21,661.11	108,260.00	20.01%
Digital Sign			
Design Services	168.78	4,000.00	4.22%
Electric Billing	588.75	6,000.00	9.81%
Maintenance	695.00	7,000.00	9.93%
Operating Equip. (Wireless)	120.14	2,000.00	6.01%
Insurance	1,062.24	3,600.00	29.51%
Sales Consultant Commission	0.00	9,900.00	0.0%
Total Digital Sign	2,634.91	32,500.00	8.11%
Building Services			
Bldg. Improvements (Capital)	0.00	2,500.00	0.0%
Supplies (Janitorial)	41.00	500.00	8.2%
Building Maint. (Non-Capital)	2,791.37	15,000.00	18.61%
Janitorial Services (Contract)	870.00	5,500.00	15.82%
Utilities (Bldg. Only) Wtr/Elec	1,684.55	12,000.00	14.04%
Monument Maintenance (New)	0.00	1,500.00	0.0%
Temporary Lift Station (New)	69.35	2,500.00	2.77%
Total Building Services	5,456.27	39,500.00	13.81%
Debt Service			
Sales Tax Bond Note	0.00	97,000.00	0.0%

Copperas Cove Economic Development Corporation

Operating Profit & Loss Budget vs. Operating Actual Cashflow

October through December 2011

First Quarter FY2011-2012

	Oct - Dec 11	Budget	% of Budget
Reliever Route Infrastr.(New)	0.00	133,500.00	0.0%
Total Debt Service	0.00	230,500.00	0.0%
Total Operating Expense	$141,988.07	$1,174,367.00	12.09%
Net Operating Income	$ 161,445.30		
Total Capital Expenses	$ 25,442.50		
Net Income	$136,002.80		

Copperas Cove Ecnomic Development Corporation
Capital Budget vs. Actual Capital Cashflow
October 2011 - December 2011
First Quarter FY2011-2012

	Oct - Nov 11	Budget	% of Budget
Capital Projects			
Shops at Five Hills-Phase 1			
Legal Fees	250.00	12,000.00	2.08%
Engineering	7,497.10	24,000.00	31.24%
Consultants	0.00	8,000.00	0.0%
Construction	0.00	1,000,000.00	0.0%
Total Shops at Five Hills-Phase 1	7,747.10	1,044,000.00	0.74%
Old Copperas Cove Road			
Legal Fees	0.00	5,000.00	0.0%
Engineering	0.00	16,000.00	0.0%
Consultants	0.00	5,000.00	0.0%
Construction	0.00	900,000.00	0.0%
Total Old Copperas Cove Road	0.00	926,000.00	0.0%
Business & Technology Park			
Legal Fees	140.00	5,000.00	2.8%
Engineering	17,555.40	18,000.00	97.53%
Design	0.00	9,000.00	0.0%
Survey	0.00	3,000.00	0.0%
Construction	0.00	750,000.00	0.0%
Total Business & Technology Park	17,695.40	785,000.00	2.25%
Total Capital Projects	$ 25,442.50	$ 2,755,000.00	0.92%

Copperas Cove Economic Development Corporation
Financial Statement Notes
December, 2011

1. The Corporation purchased the building, located at 210 South 1st Street, on February 8, 1996, Copperas Cove, Texas, to be for operations for a total amount of $115,702.83. Improvements are made to the building – $43,760.48. The Corporation owns the building located at 210 South 1st Street, Copperas Cove, Texas free and clear of any debt.

2. The Corporation acquired 109.617 acres of land appraised at $2,946,248.00 in Bell County, Texas on March 26, 2007, purchased for $2,192,360.00 in anticipation of a land exchange with Ft. Hood. On May 15, 2010, the land exchange was completed and Ft. Hood received the land in Bell County and the Corporation received approximately 128.48 acres of land in Copperas Cove located near the existing Business/Industrial Park with the value of the land considered to be equivalent.

LIABILITIES

1. The Corporation has a long-term debt liability of $*600,000 as of August, 2011, owed* to First National Bank, Texas for Sales Tax Revenue Bonds, taxable series 2001. The bonds were issued for the purpose of constructing a commercial and industrial building to promote new and expanded business enterprises in the City of Copperas Cove. Upon the sale of the commercial and industrial building the Board decision at that time was to continue to pay the note on a monthly basis.

2. The Corporation has a 10 year grant liability of $1.1 million as of August 2011 owed to the City of Copperas Cove. The debt is to fund the construction of an overpass as it relates to the State Highway 190 Bypass project.

INVESTMENTS

As of December 2011 the Corporation's investment portfolio was made up of investments in three money market accounts with the Corporation's local depository. This portfolio accomplishes the objective of maintaining liquidity while earning a modest yield on invested taxpayer dollars.

	General Operating Money Market ...2271	Sales Tax Revenue Money Market ...2640	Interest & Sinking Money Market ...2608	Interest Bearing Checking ...2120	TOTAL
Market Value 12/01/11	$2,094,311.60	$ 118,626.80	$48,219.76	$26,748.84	**$2,287,907.00**
Deposits	$217,601.04	$88,069.62	$21,350.00	$91,750.00	**$418,770.66**
Withdrawals	$136,100.00	$193,600.00	$ -0-	$65,254.66	**$394,954.66**
Accrued Interest	$.00	$.00	$.00	$.00	**$.00**
Market Value 12/31/11	$2,175,812.64	$ 13,096.42	$69,569.76	$53,244.18	**$2,311,723.00**
Interest Earned Per Account	**.00%**	**.00%**	**.00%**	**.00%**	

The Book Value of the Corporation's investment is equivalent to the Market Value. This report is in compliance with the Corporation's investment policy and with the Public **Funds Investment Act.**

Linda Hight

Prepared By: Linda Hight
Office Administrator

Dan D. Yancey

Approved By: Dan Yancey
Chairman

The preceding pages comprise the Corporation's monthly Financial Report. This Financial Report has been reviewed and approved prior to submittal in the Agenda for the Corporation's Regular Board Meeting.

F. L. Chavez

Fred Chavez
Treasurer