City of SAN ANGELO TEXAS Development Corporation

Agenda
12/18/2019

Notice is hereby given of a regular meeting of the City of San Angelo Development Corporation (COSADC) to be held on December 18, 2019 at 8:30 AM at the McNease Convention Center – South Meeting Room, 501 Rio Concho Drive, San Angelo, Texas, for the purpose of considering the following agenda items.

1. **Call to Order**
2. **Prayer**
3. **Public Comment**

Issues or items that are not on the agenda may be raised by the public at this time. Citizens should speak from the podium, begin by stating their name and limit remarks to less than three minutes. Board members may request that a discussed item be placed on a future agenda. The Board takes public comment on all Regular Agenda items during the discussion of those items.

4. **Consent Agenda**
   a. Consider approving the November 20, 2019 meeting minutes
   b. Consider approving the necessary corporation disbursements.
   c. Consider approving the November 2019 Financial Statements
   d. Consider adopting the 2019 Investment Policy
5. **Regular Agenda**
   a. Public Hearing regarding the use of sales and use tax funds in an amount not to exceed $1,057,300 to provide an Economic Development Incentive to ETHICON, INC., for a project related to Business Enterprises that create or retain primary jobs, as authorized for a Type B Corporation under Local Government Code Chapter 505 Subchapter C. (Presentation by Shannon Scott, Business, Retention & Expansion Coordinator)
   b. Public Hearing regarding the use of sales and use tax funds in an amount not to exceed $36,000 to provide an Economic Development Incentive to CENTURION PLANNING & DESIGN, LLC for a project related to Business Enterprises that create or retain primary jobs, as authorized for a Type B Corporation under Local Government Code Chapter 505 Subchapter C. (Presentation by Shannon Scott, Business, Retention & Expansion Coordinator)

c. Public Hearing regarding the authorization of an expenditure to Centurion Planning and Design in a sum not to exceed $24,765, to perform professional engineering and surveying services for a right turn lane and driveway approach design and final TXDOT permit application services for a project for a portion of the remainder of Block 1 San Angelo Gateway Addition Section 1 of the San Angelo Business & Industrial Park(Presentation made by Robert Schneeman, Economic Development Project Manager)

6. Closed Session

Executive Session under the provision of Government Code, Title 5. Open Government; Ethics, Subtitle A. Open Government, Chapter 551. Open Meetings, Subchapter D. Exceptions to Requirement that Meetings be Open under the following sections:

a. Section 551.087 to deliberate regarding commercial or financial information that the Board is receiving from business prospects with whom economic development negotiations are being conducted, and discuss financial or other incentives relating to the following projects:

   Project 2019-W322

b. 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:

   Sale of 4 +/-acres at the San Angelo Business & Industrial Park out of the remainder of Block 1, San Angelo Gateway Addition, Section 1 as recorded in Cabinet "F", Slide 17, Plat Records of Tom Green County, Texas, at a price of $29,000 per acre

7. Follow Up and Administrative Issues

a. Consideration and possible action of items discussed in Closed Session, if needed

b. Announcements and consideration of Future Agenda Items

8. Adjournment

CERTIFICATION

I hereby certify that the above notice of meeting was posted on the bulletin board at the City Hall of the City of San Angelo, Texas, on the 13th day of December, 2019 at 4:00 P.M.

Guy Andrews, Economic Development Director

All agenda items are subject to action. All contracts/agreements may be subject to further negotiation prior to execution. The Board reserves the right to consider business out of posted order and/or meet in a closed session on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code. In compliance with the Americans with Disabilities Act, the City of San Angelo Development Corporation will provide for reasonable accommodations for persons attending board meetings. To better serve you, requests should be received 48 hours prior to the meetings. Please contact the Economic Development Office at 325-653-7197. COSADC meetings are broadcast on Channel 17-Government Access at 8:00 A.M. on every Wednesday on the Wednesday after each meeting.

Report to Board

CITY OF SAN ANGELO TEXAS Development Corporation

Requestor: Nora Nevarez, Executive Office Coordinator, COSADC, 325-653-7197

Meeting Date: December 18, 2019

Item type: Consent Item

Caption:

Consider approving the November 20, 2019 meeting minutes

Summary/History:

Financial Impact:

Other Information/Recommendation:

Attachments:

1. COSADC Minutes 11-20-2019 COSADC Minutes 11-20-2019.rtf

Presentation:

Approvals/Reviews:

Nora Nevarez	Created/Initiated
Dan Saluri	Approved
Nolan Sosa	Approved
Tina Dierschke	Approved
Guy Andrews	Final Approval

City of San Angelo, Texas
Development Corporation Meeting
Wednesday, November 20, 2019

Todd Kolls, President
Bill Dendle, First Vice President
Edward Carrasco, Director
Max Puello, Director
Garland Freeze, Director
Erika Lara, Director

1. **Call to Order**

With a quorum of the City of San Angelo Development Corporation Board Members present, President Kolls called the regular session of the City of San Angelo Development Corporation meeting to order at 8:30 a.m. on Wednesday, November 20, 2019 in the McNease Convention Center, 501 Rio Concho Drive, San Angelo, TX 76903

2. **Chaplain Prayer**

An invocation was provided by First Vice President Dendle

3. **Public Comment**

Issues or items that are not on the agenda may be raised by the public at this time. Citizens should speak from the podium, begin by stating their name and limit remarks to less than three minutes. Board members may request that a discussed item be placed on a future agenda. The Board takes public comment on all Regular Agenda items during the discussion of those items.

a. Announcement of 2019 Business Plan Competition Winner

Director Lara arrived at 8:34 a.m.

President Kolls recognized and commended the Business Plan Competition coordinators for another successful year.

The 2019 Business Plan Competition winners are:

3rd Place Old Central Fire House Pizzeria & Taproom owned by Jody and Michele Babiash Awarded - $10,000

2nd Place Ranch Road Boots owned by Sarah Ford - Awarded $20,000

1st Place J Bar Meats owned by Jack Graves – Awarded $40,000

4. **Consent Agenda**
   a. Consider approving the October 23, 2019 meeting minutes
   b. Consider approving the necessary corporation disbursements
   c. Consider approving the October 2019 Financial Statements

Motion: First Vice President Dendle made a motion, seconded by Director Carrasco to approve the consent agenda as presented. The motion carried unanimously six (6) ayes to zero (0) nays.

5. **Regular Agenda**
   a. Consider a Resolution of the City of San Angelo Development Corporation Board of Directors authorizing the use of sales and use tax funds in an amount not to exceed $1,057,300, to provide an Economic Development Incentive to ETHICON, INC. for a Business Retention and Expansion Program (BREP) project related to business enterprises that create or retain primary jobs, as authorized for a Type B Corporation under Local Government Code Chapter 505 Subchapter D. (Presentation made by Guy Andrews, Director of Economic Development)

Motion: Director Carrasco made a motion, seconded by First Vice President Dendle to approve the resolution as presented. The motion carried unanimously six (6) ayes to zero (0) nays.

   b. Consider a Resolution of the City of San Angelo Development Corporation Board of Directors authorizing the use of sales and use tax funds in an amount not to exceed $36,000, to provide an Economic Development Incentive to CENTURION PLANNING & DESIGN, LLC for a Business Retention and Expansion Program (BREP) project related to business enterprises that create or retain primary jobs, as authorized for a Type B Corporation under Local Government Code Chapter 505 Subchapter D. (Presentation made by Guy Andrews, Director of Economic Development)

Motion: Director Freeze made a motion, seconded by Director Puello to approve the resolution as presented. The motion carried unanimously six (6) ayes to zero (0) nays.

   c. Consider adoption of a Resolution authorizing the Board President to negotiate and execute a first amendment to Economic Development Grant Project Agreement with Howard County Junior College District extending the term of the Agreement (Presentation by Guy Andrews, Director of Economic Development)

Motion: Director Lara made a motion, seconded by First Vice President Dendle to approve the resolution as presented. The motion carried unanimously six (6) ayes to zero (0) nays.

d. Update presentation on the 2019 Housing Study (Presentation made by Guy Andrews, Director of Economic Development.)

No action was taken

6. **Closed Session**

Executive Session under the provision of Government Code, Title 5. Open Government; Ethics, Subtitle A. Open Government, Chapter 551. Open Meetings, Subchapter D. Exceptions to Requirement that Meetings be Open under the following sections:

At 9:12 a.m., the Board convened Executive Session under the provision of Government Code, Title 5. Open Government; Ethics, Subtle A. Open Government, Chapter 551. Open Meeting, Subchapter D. Exceptions to Requirement that Meetings be Open under the following sections.

No action was taken

At 9:12 a.m., the Board reconvened

7. **Follow Up and Administrative Issues**

a. Announcements and consideration of Future Agenda Items

8. **Adjournment**

At 9:13 a.m. Director Freeze made a motion, seconded by Director Carrasco to adjourn the meeting. The motion carried unanimously six (6) ayes to zero (0) nays.

THE CITY OF SAN ANGELO

____
Corporation President

ATTEST:

____
Corporation Secretary

In accordance with Chapter 2, Article 2.300, of the Official Code of the City of San Angelo, the minutes of this meeting consist of the preceding Minute Record and the Supplement Minute Record. Details on Board meetings may be obtained from the City Clerk's Office. (Portions of the video recording may be distorted due to equipment malfunction or other uncontrollable factors.)

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Report to Board

CITY OF SAN ANGELO TEXAS Development Corporation

Requestor: Nora Nevarez, Executive Office Coordinator, COSADC, 325-653-7197

Meeting Date: December 18, 2019

Item type: Consent Item

Caption:

Consider approving the necessary corporation disbursements.

Summary/History:

Financial Impact:

Other Information/Recommendation:

Attachments:

1. Disbursement 12-18-2019 Disbursement 12-18-2019.pdf

Presentation:

Approvals/Reviews:

Nora Nevarez	Created/Initiated
Dan Saluri	Approved
Nolan Sosa	Approved
Tina Dierschke	Approved
Guy Andrews	Final Approval

City of San Angelo Development Corporation
Check Disbursements
For Board Approval December 18, 2019

Economic Development

Shea Transportation	$	6,650.00	Consulting (Inv. 5)	Ck. 5029
SA Chamber of Commerce		1,600.00	Annual Banquet (Inv. 88511)	
Shea Transportation		1,123.52	Consulting expenses & mileage (Inv. 6 & &)	Ck. 5031
Total for Board Consideration	**$**	**9,373.52**		
Dirt Doc	$	725.00	Monthly cleaning at BRC (Inv. 4030)	Ck. 5030
JR Silva Tree Service & Landscaping		723.00	Clean parking lot and Industrial Park (Inv 2592 & 2593)	Ck. 5020
Ener-tel		690.00	Upgrade Kantech Software (Inv. 199649)	Ck. 5017
Rock Your World Decorative Concrete		405.42	Reimbursement - 1st Place BP 2018	Ck. 5021
Canon Financial Services, Inc.		376.90	Mo. Copier rental (Inv. 20739697)	Ck. 5023
Ener-tel		336.00	Annual Fire Alarm Monitoring (Inv. 199714)	Ck. 5024
Canon Financial Services, Inc.		188.45	Mo copier rental (Inv. 20626633)	Ck. 5016
House of Chemicals		170.15	Paper supplies (Inv. 561930)	Ck. 5019
Atmos Energy		159.61	Gas Utilities (Serv 11/06/2019 to 12/05/2019)	
Ener-tel		157.50	Repair fire panel (Inv. 192588)	Ck. 4686
Home Builders Assoc.		109.06	Reimburse for luncheon - present Housing Study (Inv. 191108)	Ck. 5018
MDK Service LLC		79.00	Qtrly pest control for BRC (Inv. 23913)	Ck. 5025
Republic Service		51.03	Trash serv for BRC (Inv. 691000913426)	Ck. 5026
Staples Advantage		20.49	Office supplies (Inv. 3429296047)	Ck. 5028
	$	**4,191.61**		
Total Economic Development Disbursements	**$**	**13,565.13**		

Ballot

First Title Co	$	40,000.00	Mortgage by down - 713 San Jacinto	Ck. 2000
First Title Co	$	40,000.00	Mortgage by down - 805 W. Ave Y	Ck. 2001
Total for Board Consideration	**$**	**80,000.00**		
Total Routine Disbursements	**$**	**-**		
Total Ballot Disbursements	**$**	**80,000.00**		
Grand Total Disbursements this Period	**$**	**93,565.13**		

Report to Board

CITY OF SAN ANGELO TEXAS Development Corporation

Requestor: Nora Nevarez, Executive Office Coordinator, COSADC, 325-653-7197

Meeting Date: December 18, 2019

Item type: Consent Item

Caption:

Consider approving the November 2019 Financial Statements

Summary/History:

Financial Impact:

Other Information/Recommendation:

Attachments:

1.	COSADC Stmts 1911	COSADC Stmts 1911.pdf

Presentation:

Approvals/Reviews:

Nora Nevarez	Created/Initiated
Dan Saluri	Approved
Nolan Sosa	Approved
Tina Dierschke	Approved
Guy Andrews	Final Approval

City of San Angelo
Development Corporation

Financial Information and Schedules
As of November 30, 2019

Contents

This UNAUDITED information is designed for internal use and analysis only.

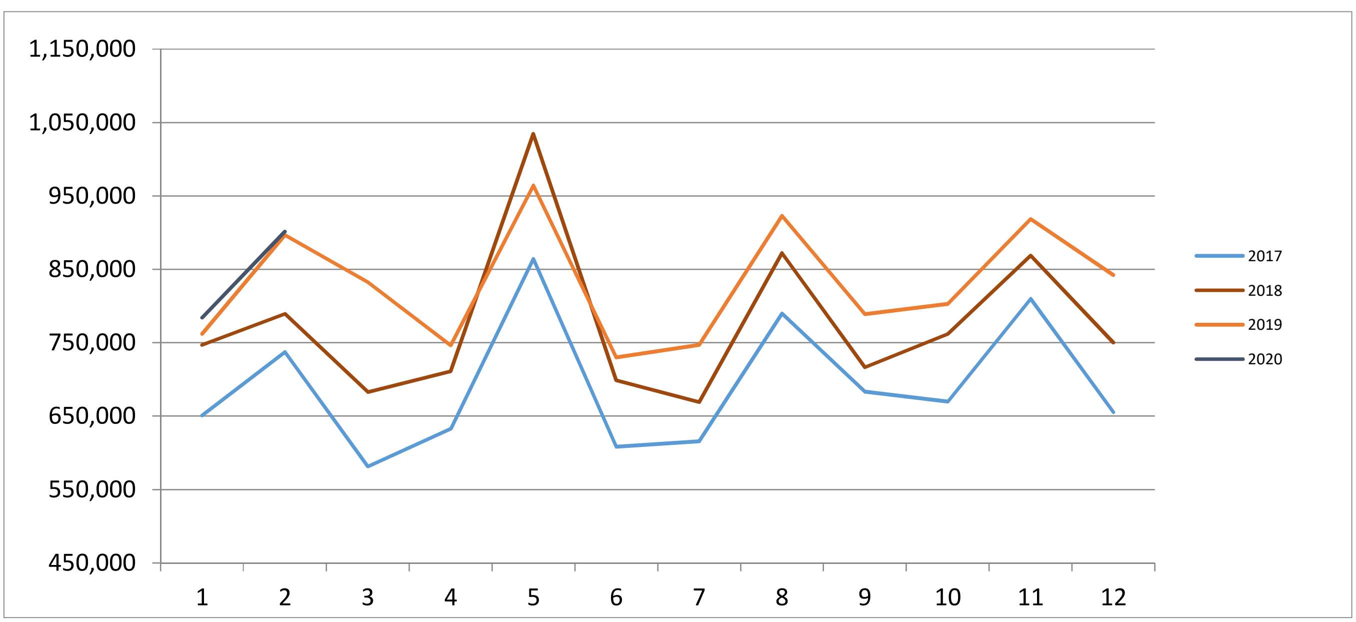
City of San Angelo Development Corporation
Executive Summary
November 2019

Available Fund Balances

Unassigned Fund Balance-Economic Development	5,957,055
Unassigned Fund Balance-Ballot	1,383,111

Sales Tax Analysis

Month	2017	2018	2019	2020	% Over/(Under)
Oct	650,926	747,063	761,865	784,232	2.94%
Nov	737,436	789,302	896,890	901,416	0.50%
Dec	581,382	683,012	832,486		
Jan	632,603	711,415	746,604		
Feb	864,339	1,034,662	964,281		
Mar	608,253	699,086	730,020		
Apr	615,673	669,034	747,020		
May	789,680	872,259	923,026		
Jun	683,530	716,509	789,102		
Jul	669,686	761,927	802,784		
Aug	809,685	868,604	918,423		
Sep	655,327	750,212	842,023		



City of San Angelo Development Corporation
Balance Sheet - Economic Development
As of November 30, 2019

ASSETS	
Current Assets	
Checking/Savings	
Cash	28,605
Money Market	9,113,095
Total Checking/Savings	9,141,701
Accounts Receivable	
Leases	11,946
Total Accounts Receivable	11,946
Other Current Assets	
Investments	4,999,438
Total Other Current Assets	4,999,438
Total Current Assets	14,153,084
Fixed Assets	
Land -Industrial Park	85,728
Industrial Park-Phase I	734,002
Industrial Park-Phase II	38,624
Industrial Park-Phase III	20,377
Building-Business Resource Ctr	2,004,967
Accum Depr-Building	(770,217)
Total Fixed Assets	2,113,481
TOTAL ASSETS	16,266,565
LIABILITIES & FUND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	2,807
Total Current Liabilities	2,807
Total Liabilities	2,807
Fund Equity	
Committed for Eco. Dev. Projects	8,193,222
Restricted for Fixed Assets	2,113,481
Unassigned Fund Balance	5,957,055
Total Fund Equity	16,263,758
TOTAL LIABILITIES & FUND EQUITY	16,266,565

City of San Angelo Development Corporation
Revenue & Expenditure Report - Economic Development
November 2019

	Budget	Month Actual	YTD Actual	YTD Actual W/ Enc	Over/(Under) Budget	% of Budget
Revenues						
Sales & Use Tax	2,609,674	252,397	471,982	471,982	(2,137,692)	18%
Interest on Investments	225,000	32,417	64,032	64,032	(160,968)	28%
Lease Income	67,679	299	1,799	1,799	(65,880)	3%
Miscellaneous Income	-	-	865	865	865	100%
Total Revenues	2,902,353	285,113	538,678	538,678	(2,363,675)	19%
Expenditures						
Administrative	130,237	12,781	14,791	16,551	(113,686)	13%
Partner Affiliations	105,547	-	25,000	25,000	(80,547)	24%
City Services	640,274	3,075	3,075	3,075	(637,199)	0%
Industrial Park Ops & Maint	17,222	369	1,241	1,977	(15,245)	11%
Marketing-Chamber of Commerce	225,036	56,250	56,250	56,250	(168,786)	25%
Advertising	46,500	-	-	3,400	(43,100)	7%
Utilities	44,500	3,495	5,573	23,448	(21,052)	53%
Capital	68,000	-	-	28,540	(39,460)	42%
Business Factory	104,767	971	971	4,870	(99,897)	5%
Total Operating Expenditures	1,382,083	76,941	106,901	163,111	(1,218,972)	12%
Projects						
Air Service Marketing	955	-	-	-	(955)	0%
TGC/GAFB	8,399	-	-	-	(8,399)	0%
Principle LED	45,681	-	-	-	(45,681)	0%
Phase II Sewer Line	96,000	-	-	-	(96,000)	0%
TXDOT Aside Program Grant	60,500	-	-	-	(60,500)	0%
CalTech	181,950	-	-	-	(181,950)	0%
Parkhill	52,108	-	-	-	(52,108)	0%
Grant Works	50,000	-	-	-	(50,000)	0%
Netco	5,500	-	-	-	(5,500)	0%
Elite Solutions	15,260	-	-	-	(15,260)	0%
Goodfellow AFB	1,188,705	333,015	333,015	333,015	(855,690)	28%
Industrial Park-Phase II	1,999,800	-	-	-	(1,999,800)	0%
Howard College Const Tr	73,105	-	-	-	(73,105)	0%
US Customs Retention	25,000	-	-	-	(25,000)	0%
US Customs Retention II	1,100,000	-	-	-	(1,100,000)	0%
Principle LED BREP	200,147	-	-	-	(200,147)	0%
Carter Fentress	4,000	-	-	-	(4,000)	0%
Shea Transportation	38,693	7,774	7,774	38,693	-	100%
Chadbourne Street	2,250,000	-	-	-	(2,250,000)	0%
Comm Dev Strategies	2,035	-	-	-	(2,035)	0%
Centurion	380	-	-	-	(380)	0%
Ener-Tel	50,000	-	-	-	(50,000)	0%
West Texas Steel	59,000	-	-	-	(59,000)	0%
SMC Global	200,000	-	-	-	(200,000)	0%
J's Deer & Wild Game	60,000	-	-	-	(60,000)	0%
Schwertner Property	590,500	-	539,414	539,414	(51,086)	91%
Bradford Area	638,861	-	-	-	(638,861)	0%
Double Barrel	70,000	-	-	-	(70,000)	0%
Air Service Marketing II	13,000	-	-	-	(13,000)	0%
Industrial Park Turn Lane	24,765	-	-	-	(24,765)	0%
Future Projects	1,425,724	-	-	-	(1,425,724)	0%
Total Project Expenditures	10,530,068	340,789	880,203	911,122	(9,618,946)	8%
Total Expenditures	11,912,151	417,730	987,104	1,074,233	(10,837,918)	8%
Revenue Over/(Under) Expenditures	(9,009,798)	(132,617)	(448,426)	(535,555)		

City of San Angelo Development Corporation
Economic Development Projects
As of November 30, 2019

Project	Original Allocation	Current Allocation	Current Year Activity	Inception to Date	Remaining Allocation
Air Service Marketing	60,000	60,000	0	59,045	955
TGC/GAFB	633,000	633,000	0	624,601	8,399
Principle LED	550,001	550,001	0	504,320	45,681
Phase II Sewer Line	100,000	100,000	0	4,000	96,000
TXDOT Aside Program Grant	100,000	100,000	0	39,500	60,500
CalTech	603,999	223,050	0	41,100	181,950
Parkhill	308,000	323,000	0	270,892	52,108
Grant Works	54,000	54,000	0	4,000	50,000
Netco	60,000	60,000	0	54,500	5,500
Elite Solutions	40,260	15,260	0	0	15,260
Goodfellow AFB	1,500,000	1,500,000	333,015	644,310	855,690
Industrial Park-Phase II	2,000,000	2,000,000	0	200	1,999,800
Howard College Const Tr	168,000	168,000	0	94,895	73,105
US Customs Retention	25,000	25,000	0	0	25,000
US Customs Retention II	46,435	1,149,225	0	49,225	1,100,000
Principle LED BREP	300,147	300,147	0	100,000	200,147
Carter Fentress	20,000	20,000	0	16,000	4,000
Shea Transportation	49,000	49,000	38,693	49,000	0
Chadbourne Street	1,500,000	3,750,000	0	1,500,000	2,250,000
Comm Dev Strategies	65,000	65,000	0	62,965	2,035
Centurion	7,500	7,500	0	7,120	380
Ener-Tel	50,000	50,000	0	0	50,000
West Texas Steel	59,000	59,000	0	0	59,000
SMC Global	200,000	200,000	0	0	200,000
J's Deer & Wild Game	60,000	60,000	0	0	60,000
Schwertner Property	600,000	600,000	539,414	548,914	51,086
Bradford Area	638,861	638,861	0	0	638,861
Double Barrel	70,000	70,000	0	0	70,000
Air Service Marketing II	13,000	13,000	0	0	13,000
Industrial Park Turn Lane	24,765	24,765	0	0	24,765
	9,905,968	12,867,809	911,122	4,674,587	8,193,222

Total Committed, Not Expended	8,193,222

City of San Angelo Development Corporation
Balance Sheet - Ballot
As of November 30, 2019

ASSETS	
Current Assets	
Checking/Savings	
Cash	14,643
Money Market	2,819,064
Total Checking/Savings	2,833,707
Accounts Receivable	
Note Receivable	5,943
Total Accounts Receivable	5,943
Total Current Assets	2,839,650
TOTAL ASSETS	2,839,650
LIABILITIES & FUND EQUITY	
Fund Equity	
Committed for Ballot Projects	451,123
Assigned for Debt Service	1,005,416
Unassigned Fund Balance	1,383,111
Total Fund Equity	2,839,650
TOTAL LIABILITIES & FUND EQUITY	2,839,650

City of San Angelo Development Corporation
Revenue & Expenditure Report - Ballot
November 2019

	Budget	Month Actual	YTD Actual	YTD Actual w/ Enc	Over/(Under) Budget	% of Budget
Revenues						
Sales & Use Tax	6,710,590	649,020	1,213,667	1,213,667	(5,496,923)	18%
Interest on Investments	75,000	4,752	10,017	10,017	(64,983)	13%
Total Revenues	6,785,590	653,772	1,223,684	1,223,684	(5,561,906)	18%
Expenditures						
City Services	30,135	-	-	-	(30,135)	0%
Loan/Debt Service	5,452,250	-	-	-	(5,452,250)	0%
Total Operating Expenditures	5,482,385	-	-	-	(5,482,385)	0%
Projects						
West TX Water Partnership	200,000	13,742	13,742	13,742	(186,258)	7%
Affordable housing	304,865	40,000	40,000	40,000	(264,865)	13%
Future Projects	798,340	-	-	-	(798,340)	0%
Total Project Expenditures	1,303,205	53,742	53,742	53,742	(1,249,463)	4%
Total Expenditures	6,785,590	53,742	53,742	53,742	(6,731,848)	1%
Revenue Over/(Under) Expenditures	-	600,030	1,169,942	1,169,942		

City of San Angelo Development Corporation
Ballot Projects
As of November 30, 2019

Project	Project Allocation	Current Year Activity	Inception to Date	Remaining Allocation
Ballot Projects:				
Water Supply Projects				
West Texas Water Partnership	692,740	13,742	506,482	186,258
* Reclaimed Water Alternatives	1,389,965	0	1,389,965	-
* Red Arroyo Storm Water Basin	151,040	0	151,040	-
Total Expenditures	2,233,745	13,742	2,047,487	186,258
Total Water Supply Projects				186,258
Affordable Housing				
Revenues				
* Sale of Fixed Assets - Blackshear Properties	394,351	0	394,351	-
Total Revenues				
Expenditures				
Affordable Housing	3,347,965	40,000	3,083,100	264,865
* Administrative Contract	120,405	0	120,405	-
* Blackshear Neighborhood Boundary	28,300	0	28,300	-
* Blackshear Properties	404,125	0	404,125	-
* Neighborhood Blitz	550,000	0	550,000	-
* Neighbors Helping Neighbors	53,000	0	53,000	-
* Rebuilding Together - Housing One Stop	23,759	0	23,759	-
* Rebuilding Together - Housing Repair	74,920	0	74,920	-
* Rehabs	114,487	0	114,487	-
* Roofing Grant	200,000	0	200,000	-
Total Expenditures	4,916,961	40,000	4,652,097	264,865
Total Affordable Housing				264,865
Other Projects				
* Sports Facilities Maintenance	285,353	0	285,353	-
Total Expenditures	285,353	0	285,353	-
Total Ballot Projects Committed, Not Expended				451,123
Voter Approved Projects:				
* Fort Concho Improvements	900,000	0	900,000	-
* Sports & Athletics Facilities	708,744	0	708,744	-
* 29th Street Sports Complex	1,750,000	0	1,750,000	-
Total Expenditures	3,358,744	-	3,358,744	-
Total Voter Approved Projects Committed, Not Expended				-

* Completed

THE CITY OF SAN ANGELO, TEXAS
Transaction Detail by Account
October - November 2019

Group #	PO #	Type	Date	Number	Description	Amount
700-0000-313.00-00 TAX / SALES AND USE TAX						
565		AJ	10/24/2019	15	RECORD COSADC SALE	219,584.90
700-0000-361.10-00 INTEREST / INTEREST ON INVESTMENTS						
1418		AJ	11/30/2019	87	SECURITIES CALLED	19,147.22
1473		AJ	11/30/2019	108	BANK INTEREST ED	401.24
1473		AJ	11/30/2019	108	MONEY MARKET INTER	12,868.34
834		AJ	10/31/2019	48	RECORD CALLED SECU	10,755.28
834		AJ	10/31/2019	48	RECORD CALLED SECU	11,500.00
857		AJ	10/31/2019	55	RECORD INTEREST OC	133.43
857		AJ	10/31/2019	55	RECORD MM INTEREST	9,226.35
700-0000-363.11-00 RENT / RENT						
866		CR	11/7/2019	41114	ECO DEV	299.15
585		CR	10/29/2019	30256	ECO DEV RENT	1,499.42
700-0000-380.10-00 MISC / MISC						
585		CR	10/29/2019	30255	ECO DEV MISC	400.00
585		CR	10/29/2019	30256	ECO DEV	465.00
700-0700-411.03-12 PROFESSIONAL & TECHNICAL / ADMINISTRATIV						
1218		AP	11/15/2019	5022	ANGELO STATE UNIVE	3,075.00
700-0700-411.03-20 PROFESSIONAL & TECHNICAL / PROFESSIONAL						
1268		AP	11/26/2019	5027	SHEA TRANSPORTATIO	(6,650.00)
PROJECT#:	DC0156					
1269		AP	11/26/2019	5029	SHEA TRANSPORTATIO	6,650.00
PROJECT#:	DC0156					
1164	121448	AP	11/1/2019	5027	SHEA TRANSPORTATIO	6,650.00
PROJECT#:	DC0156					
1345	121448	AP	11/1/2019	5031	SHEA TRANSPORTATIO	713.14
PROJECT#:	DC0156					
1345	121448	AP	11/1/2019	5031	SHEA TRANSPORTATIO	410.38
PROJECT#:	DC0156					
605		AP	10/30/2019	5006	SKG ENGINEERING	(2,600.00)
PROJECT#:	DC0165					
606		AP	10/30/2019	5009	SKG ENGINEERING	2,600.00
PROJECT#:	DC0165					
790		AP	10/29/2019	5015	TOM GREEN COUNTY A	333,014.71
PROJECT#:	DC0146					
538		AP	10/28/2019	5003	FIRST TITLE CO	536,813.60

THE CITY OF SAN ANGELO, TEXAS
Transaction Detail by Account
October - November 2019

Group #	PO #	Type	Date	Number	Description	Amount
PROJECT#:	DC0165					
556		AP	10/28/2019	5001	FIRST TITLE CO	(536,813.60)
PROJECT#:	DC0165					
557		AP	10/28/2019	5002	FIRST TITLE CO	(536,813.60)
PROJECT#:	DC0165					
526		AP	10/25/2019	5001	FIRST TITLE CO	536,813.60
PROJECT#:	DC0165					
528		AP	10/25/2019	5002	FIRST TITLE CO	536,813.60
PROJECT#:	DC0165					
578		AP	10/8/2019	5006	SKG ENGINEERING	2,600.00
PROJECT#:	DC0165					
700-0700-411.03-32 PROFESSIONAL & TECHNICAL / SOFTWARE MAIN						
1464		AJ	11/30/2019	104	REIMBURSE FOR DOMA	17.05
700-0700-411.03-60 PROFESSIONAL & TECHNICAL / CONTRACT SERV						
688	121340	AP	9/3/2019	5013	SAN ANGELO CHAMBER	56,250.00
700-0700-411.04-11 PURCHASED SERVICES / WATER/SEWER UTILITI						
814		AJ	11/5/2019	UT	UB CHARGE UPDATE	142.24
759		AJ	11/4/2019	UT	UB CHARGE UPDATE	15.00
700-0700-411.04-12 PURCHASED SERVICES / NATURAL GAS						
1138	121088	AP	11/6/2019	670648	ATMOS ENERGY	92.13
700-0700-411.04-13 PURCHASED SERVICES / ELECTRICITY						
211	01/20	AP	10/01/19	0669344	GEXA ENERGY, LP	1,090.60
700-0700-411.04-31 PURCHASED SERVICES / BLDG. & GROUNDS MAI						
1078	120904	AP	11/19/2019	670578	ENER-TEL SERVICES	(690.00)
1079	120904	AP	11/19/2019	5017	ENER-TEL SERVICES	690.00
1345	121314	AP	11/13/2019	5030	DIRT DOC, LLC	725.00
1138	121432	AP	11/1/2019	5024	ENER-TEL SERVICES	336.00
881	121087	AP	10/31/2019	5026	REPUBLIC SERVICES,	51.03
1027	121357	AP	10/31/2019	5020	JR SILVA TREE SERV	459.00
1027	120877	AP	10/30/2019	5019	HOUSE OF CHEMICALS	170.15
1027	120904	AP	10/30/2019	670578	ENER-TEL SERVICES	690.00
571	120875	AP	10/23/2019	669867	ANGELO WATER SERVI	48.50
571	120922	AP	10/23/2019	669760	ENER-TEL SERVICES	135.00
881	121305	AP	10/21/2019	5025	MDK SERVICES LLC	79.00
571	121301	AP	10/15/2019	669760	ENER-TEL SERVICES	528.00

THE CITY OF SAN ANGELO, TEXAS

Transaction Detail by Account

October - November 2019

Group #	PO #	Type	Date	Number	Description	Amount
705	121314	AP	10/13/2019	5010	DIRT DOC, LLC	725.00
571	121301	AP	10/10/2019	669760	ENER-TEL SERVICES	100.00
231	120877	AP	10/8/2019	669481	HOUSE OF CHEMICALS	112.61
706	121087	AP	9/30/2019	5012	REPUBLIC SERVICES,	10.38
236	120875	AP	9/23/2019	669439	ANGELO WATER SERVI	63.00
700-0700-411.04-33 PURCHASED SERVICES / VEHICLE MAINTENANCE						
501		AJ	10/22/2019	14	VM EXPENSE ALL BDG	1,500.00
700-0700-411.04-42 PURCHASED SERVICES / RENT OF EQUIPMENT						
380		AP	10/10/2019	669551	CTWP	121.76
987		AP	10/10/2019	670322	CTWP	121.76
194		AP	9/10/2019	669336	CTWP	121.76
700-0700-411.05-21 PURCHASED SERVICES / INSURANCE-LIABILITY						
790		AP	10/31/2019	5011	PK KELLEY INSURANC	11,522.00
700-0700-411.05-65 PURCHASED SERVICES / SPECIAL PROJECT "A"						
1078		AP	11/19/2019	670606	ROCK YOUR WORLD DE	(405.42)
1079		AP	11/19/2019	5021	ROCK YOUR WORLD DE	405.42
1548	121419	AP	11/18/2019	5033	ANGELO AWARDS	1,320.84
1548	121420	AP	11/18/2019	5032	ALL ABOUT SIGNS	90.00
1164	121415	AP	11/12/2019	5023	CANON FINANCIAL SE	376.90
960		AP	11/6/2019	670606	ROCK YOUR WORLD DE	405.42
972	121415	AP	10/13/2019	5016	CANON FINANCIAL SE	188.45
700-0700-411.05-80 PURCHASED SERVICES / TRAVEL & LODGING						
1039		CR	11/18/2019	51295	TRVL-ANDREWS-WILLISTON,ND	220.00
1190		AP	10/21/2019	8891	CITIBANK, N.A	439.56
1190		AP	10/21/2019	8891	CITIBANK, N.A	30.00
382		AP	10/16/2019	669610	ANDREWS, GUY D.	257.01
700-0700-411.05-90 PURCHASED SERVICES / CONVENTIONS & SCHOO						
1190		AP	10/10/2019	8891	CITIBANK, N.A	225.00
700-0700-411.05-94 PURCHASED SERVICES / PARTNER AFFILIATION						
605		AP	10/30/2019	5004	HIGH GROUND OF TEX	(25,000.00)
606		AP	10/30/2019	5007	HIGH GROUND OF TEX	25,000.00
578		AP	10/1/2019	5004	HIGH GROUND OF TEX	25,000.00

THE CITY OF SAN ANGELO, TEXAS

Transaction Detail by Account

October - November 2019

Group #	PO #	Type	Date	Number	Description	Amount
700-0700-411.06-10 SUPPLIES / OFFICE SUPPLIES						
1139	121070	AP	10/30/2019	5028	STAPLES ADVANTAGE	20.49
705	121070	AP	10/19/2019	5014	STAPLES ADVANTAGE	19.23
700-0700-411.06-14 SUPPLIES / POSTAGE & SHIPPING						
886		AP	11/4/2019	8878	POSTMASTER	2.00
886		AP	11/4/2019	8878	POSTMASTER	3.00
886		AP	11/4/2019	8878	POSTMASTER	0.50
212		AP	10/2/2019	8840	POSTMASTER	0.50
212		AP	10/2/2019	8840	POSTMASTER	3.00
212		AP	10/2/2019	8840	POSTMASTER	3.50
212		AP	10/2/2019	8840	POSTMASTER	3.00
700-0700-411.06-30 SUPPLIES / FOOD						
1078		AP	11/19/2019	670586	HOME BUILDERS ASSO	(109.06)
1079		AP	11/19/2019	5018	HOME BUILDERS ASSO	109.06
960		AP	11/8/2019	670586	HOME BUILDERS ASSO	109.06
1190		AP	10/28/2019	8891	CITIBANK, N.A	29.28
1190		AP	10/24/2019	8891	CITIBANK, N.A	20.64
700-0705-411.04-11 PURCHASED SERVICES / WATER/SEWER UTILITI						
913		AJ	11/8/2019	UT	UB CHARGE UPDATE	28.62
875		AJ	11/7/2019	UT	UB CHARGE UPDATE	75.93
700-0705-411.04-31 PURCHASED SERVICES / BLDG. & GROUNDS MAI						
1027	121357	AP	10/31/2019	5020	JR SILVA TREE SERV	264.00
700-0705-411.05-21 PURCHASED SERVICES / INSURANCE-LIABILITY						
605		AP	10/30/2019	5005	SAM TAMBUNGA INSUR	(872.05)
606		AP	10/30/2019	5008	SAM TAMBUNGA INSUR	872.05
578		AP	10/18/2019	5005	SAM TAMBUNGA INSUR	872.05
711-0000-313.00-00 TAX / SALES AND USE TAX						
565		AJ	10/24/2019	15	RECORD COSADC SALE	564,646.90
711-0000-361.10-00 INTEREST / INTEREST ON INVESTMENTS						
1473		AJ	11/30/2019	108	BANK INTEREST BALL	50.73
1473		AJ	11/30/2019	108	MONEY MARKET INTRT	3,843.79
1122		CR	11/20/2019	53505	ECO DEV INTEREST ON INVES	857.48
857		AJ	10/31/2019	55	RECORD INTEREST OC	63.17
857		AJ	10/31/2019	55	RECORD MM INTEREST	5,201.82

THE CITY OF SAN ANGELO, TEXAS
Transaction Detail by Account
October - November 2019

Group #	PO #	Type	Date	Number	Description	Amount
711-0700-411.03-20 PROFESSIONAL & TECHNICAL / PROFESSIONAL						
1452		AP	12/4/2019	2001	FIRST TITLE CO	40,000.00
PROJECT#:	DC0200					
1469		AJ	11/30/2019	106	REIMB COST WEST TX	13,742.14
PROJECT#:	DC0123					
1262		AP	11/25/2019	2000	FIRST TITLE CO	40,000.00
PROJECT#:	DC0200					

THE CITY OF SAN ANGELO, TEXAS

Schedule of Revenues and Expenditures
Fiscal Year through November 30, 2019

2011A Tax/Revenue C.O. - Fund 514

For Airport, Ft. Concho, and Parks Improvements
Debt Payments Through 2024

	Dept	Current Budget	Month Actual	YTD W/Enc	Over/(Under) Budget	Previous Years Activity	Inception to Date
Beginning Fund Balance		**855,955**		**855,955**			
REVENUES:							
C.O. Proceeds		-	-	-	-	13,780,000	13,780,000
Municipal Pool Donation		-	-	-	-	21,225	21,225
SASSRA Stock Barn		-	-	-	-	157,722	157,722
Transfer from Dev. Corp.		-	-	-	-	4,220,000	4,220,000
Interest Income		-	203	490	490	168,882	169,372
Total Revenues		-	203	490	490	18,347,829	18,348,319
EXPENDITURES:							
Airport Terminal Rehab	3925	-	-	-	-	500,000	500,000
Concho River	4119	258,084	-	403	(257,681)	8,341,918	8,342,321
Parks	6000	466,021	-	20,030	(445,991)	459,051	479,081
Red Arroyo Trail	6040	-	-	-	-	325,000	325,000
Recreation	6100	75,000	-	-	(75,000)	2,597,817	2,597,817
Fort Concho Improvements	6301	-	-	-	-	100,001	100,001
Auditorium	6602	-	-	-	-	3,750,001	3,750,001
Fairgrounds	6636	-	-	-	-	1,157,722	1,157,722
Issue Costs	9900	-	-	-	-	260,363	260,363
Contingencies	9900	-	-	-	-	-	-
Total Expenditures		799,105	-	20,433	(778,672)	17,491,873	17,512,306
Revenue Over/(Under) Expenditures		**(799,105)**	**203**	**(19,943)**			
Ending Fund Balance		**56,850**		**836,012**			

THE CITY OF SAN ANGELO, TEXAS

Schedule of Revenues and Expenditures
Fiscal Year through November 30, 2019

Hickory Water Supply - Fund 516

	Dept	Current Budget	Month Actual	YTD W/Enc	Over/(Under) Budget	Previous Years Activity	Inception to Date
Beginning Fund Balance		**2,090,675**		**2,090,675**			
REVENUES:							
Interest		-	2,128	5,141	5,141	600,798	605,939
C.O. Proceeds		-	-	-	-	119,998,750	119,998,750
Total Revenues		-	2,128	5,141	5,141	120,599,548	120,604,689
EXPENDITURES:							
Easements/Property Damage	4150	-	-	-	-	106,865	106,865
Engineering	4157	2,162,781	850	2,076,395	(1)	17,632,306	19,708,701
Well Field Pipelines	4152	-	-	-	-	3,026,918	3,026,918
30 " Transmission Main	4153	-	-	-	-	38,681,022	38,681,022
Well Field Pumps	4154	-	-	-	-	12,831,038	12,831,038
Well Field Pump Station	4155	-	-	-	-	1,617,139	1,617,139
Well Field Expansion	4158	-	-	-	-	7,668,888	7,668,888
Treatment Plant	4156	-	-	-	-	27,132,194	27,132,194
Well Field Expansion #2	4159	-	-	-	-	9,640,252	9,640,252
Issue Costs	9900	-	-	-	-	172,251	172,251
Total Expenditures		2,162,781	850	2,076,395	(1)	118,508,873	120,585,268
Revenue Over/(Under) Expenditures		**(2,162,781)**	**1,278**	**(2,071,254)**			
Ending Fund Balance		**(72,106)**		**19,421**			

	Revenues
Previous Years Activity	120,599,548
Current Year Budget	-
Less Interest Earned	(600,798)
TOTAL	**119,998,750**

Report to Board

CITY OF SAN ANGELO TEXAS Development Corporation

Requestor: Nora Nevarez, Executive Office Coordinator, COSADC, 325-653-7197

Meeting Date: December 18, 2019

Item type: Consent Item

Caption:

Consider adopting the 2019 Investment Policy

Summary/History:

Each year, the COSADC Board and the City Council must adopt an investment policy and strategy in accordance with the Public Funds Investment Act (PFIA). The new investment policy is attached with minor changes being made from last year. They include:

1. Added language to Section Four: Authorized Investments (4) that aligns the policy with the PFIA in defining the types of investments pools that can be utilized as those that strive to maintain a $1 net asset value.

2. Added Int'l FC Stone to the list of authorized broker/dealers in Addendum B.

Financial Impact:

Other Information/Recommendation:

Staff recommends approval of the policy.

Attachments:

1.	COSADC Investment Policy-Strategy-Broker-Dealer List 2019	COSADC Investment Policy-Strategy-Broker-Dealer List 2019.pdf

Presentation:

Approvals/Reviews:

Nora Nevarez	Created/Initiated
Dan Saluri	Approved
Nolan Sosa	Approved
Tina Dierschke	Approved
Guy Andrews	Final Approval

CITY OF SAN ANGELO DEVELOPMENT CORPORATION

INVESTMENT POLICY, STRATEGY AND BROKER/DEALER LIST

2019

It is the policy of the City of San Angelo Development Corporation (the "COSADC") to invest its funds in a manner which will provide the highest reasonable market return within security guidelines while meeting the demands of the COSADC and conforming to all state and local statutes governing the investment of public funds.

This policy satisfies the requirement of the Public Funds Investment Act (the "Act"), Texas Government Code 2256, which requires the creation and annual adoption of a written investment policy.

Section One: Scope
This investment policy applies to all the financial assets of the COSADC.

Section Two: Investment Objectives and Standard of Care
The objectives of the COSADC's investment program shall be, in order of priority, safety, liquidity and yield. Safety of principal shall be the foremost objective of the COSADC's investment program. Investment transactions shall seek to insure that capital losses are avoided, whether they are from securities, defaults or erosion of market value. The portfolio shall be managed with the objective of obtaining a reasonable market yield.

The standard of prudence to be used by investment officers shall be the *prudent person standard* and shall be applied in the context of managing the overall portfolio. Investments shall be made with judgment and care under circumstances then prevailing which a person of prudence, discretion and intelligence would exercise in the management of his/her own affairs with consideration given to the probable safety of capital as well as the probable income to be derived. Investments shall not be made for speculative purposes.

Section Three: Investment Strategy
The COSADC of San Angelo funds shall recognize cash flow needs and adopt a pro-active yet conservative portfolio strategy. The total portfolio will maintain a maximum weighted average maturity of two (2) year which is based on the cash requirements of the COSADC. The long term nature of some projects of the COSADC will allow a maximum maturity of five (5) years.

The COSADC of San Angelo's investment portfolio shall be diversified for safety and shall consist of a variety of securities and maturities. In order to meet Policy objective, securities will be of the highest credit quality and marketability. The portfolio's objectives can be attained by utilization of high credit quality securities and a structure based on cash flow needs in the short and intermediate-term.

It is the intent of the COSADC to hold purchased securities to maturity. However, under conditions defined and procedures approved by the Oversight Committee securities may be traded to capture capital gains and allow for reinvestment into the portfolio.

The investment officers, or designated investment advisors, will create a strategy to project the term for such investments and will invest based on market conditions, cash flow, and diversity in the portfolio

Section Four: Authorized Investments
The COSADC shall invest only in those instruments authorized by law of the State of Texas (Texas Government Code 2256, Public Funds Investment Act) as further limited by this policy.

(1) Depository certificates of deposit issued by state and national banks doing business in Texas that do not exceed one (1) year to maturity from date of issue;

(2) Obligations of the United States Government, its agencies and instrumentalities excluding mortgage-backed securities, not to exceed five (5) years to their stated maturity date;

(3) Fully collateralized repurchase agreements having a defined termination date not to exceed six (6) months, secured by obligations of the United States or its agencies and instrumentalities, collateralized at 102%, executed under a written repurchase agreement, with securities safe-kept with a third party selected or approved by the COSADC, and placed through a bank doing business in Texas or a primary government securities dealer.

(4) Local government investment pools which strive to maintain a $1 net asset value and as defined by the Act, rated AAA, or its equivalent, as to investment quality by a nationally recognized credit rating agency. Investment in each pool must be specifically authorized by Resolution of the COSADC Board.

(5) AAA-rated, SEC registered money market mutual funds which strive to maintain a $1 net asset value.

(6) General obligation bonds of states, agencies, counties, cities and other political subdivisions of any state rated A or better or its equivalent by a nationally recognized rating agency and with a stated maturity not to exceed five (5) years.

(7) FDIC insured brokered certificate of deposit securities from banks in any US state, delivered versus payment to the COSADC's safekeeping depository, not to exceed one year to maturity. Before purchase, the Investment Officer or advisor must verify the FDIC status of the bank on www.fdic.gov to assure that bank is FDIC insured.

(8) Fully insured interest bearing accounts of any bank doing business in Texas.

(9) A1/P1 domestic commercial paper with a maximum maturity of ninety (90) days.

In order to provide diversification in the portfolio which reduces market and credit risk exposures the following diversification parameters are established for the Portfolio. Diversification parameters must be met at the time of purchase although cash flows may change the percentages over time. Effort will be made to maintain the diversification guidelines through cyclical cash flow periods.

Security Type	Max. % in Overall Portfolio
Depository CDs	40 %
Per bank	10 %
US Treasuries	80 %
US Agencies & Instrumentalities	80 %
Repurchase Agreements	50 %
Constant Dollar LGIP	80 %
Ownership of the pool	10 %
Money Market Mutual Funds	75 %
Municipal and State Obligations	40 %
FDIC Brokered CDs	20 %
Commercial paper	15 %

Delivery versus Payment

All security transactions shall be purchased and settled "delivery versus payment". That is, the COSADC shall authorize release of its funds only after a purchased security has been received by its safekeeping agent.

Competitive Bidding Required

All investments shall be purchased or sold on a competitive basis with bids or offers from at least three authorized broker/dealers for the best yield and maturity. Offers of new issue agencies need not be competitively bid but must be made from COSADC authorized broker/dealers.

Loss of Rating

There is no requirement to liquidate investments that were authorized investments at the time of purchase. However, should a security that requires a minimum rating under state law not have that required rating, the investment officer shall take all prudent measures to liquidate the security.

Monitoring FDIC Coverage

The Investment Officer or Investment Advisor shall monitor, on no less than a weekly basis, the status and ownership of all banks issuing brokered CDs owned by the COSADC based upon information from the FDIC. If any bank has been acquired or merged with another bank in which brokered CDs are owned, the Investment Officer or Advisor shall immediately liquidate any brokered CD which places the COSADC above the FDIC insurance level.

Monitoring Credit Ratings
The Investment Officer or investment advisor shall monitor, on no less than a weekly basis, the credit rating on all authorized investments in the portfolio based upon independent information from a nationally recognized rating agency. If any security falls below the minimum rating required by Policy, the Investment Officer or advisor shall notify the City and the COSADC Director, within three days, of the loss of rating, conditions affecting the rating and possible loss of principal with liquidation options available.

Section Five: Collateral and Safekeeping
As a public *corporation* the COSADC is not authorized by FDIC regulations to be pledged collateral for bank deposits. As such all time and demand deposits shall be kept below the FDIC insurance coverage in any one institution.

Repurchase Agreements Owned Collateral
Collateral under a repurchase agreement is owned by the COSADC. It will be held by an independent third party safekeeping agent approved by the COSADC under an executed master repurchase agreement. Collateral with a market value totaling 102% of the principal and accrued interest is required and the counter-party is responsible for the monitoring and maintaining of collateral and margins at all times.

Safekeeping
The laws of the State, this Policy, and prudent treasury management require that all securities be settled on a delivery versus payment basis and be held in safekeeping by an independent third party financial institution approved by the COSADC.

Securities shall not be bought from the banking services bank in order to perfect delivery versus payment separation in the transaction.

All safekeeping arrangements shall be approved by the City and COSADC Board and an agreement of the terms executed in writing. The third party safekeeping institution shall issue original safekeeping receipts to the COSADC listing each specific security, rate, description, maturity, cusip, ownership, and other pertinent information.

Section Six: Investment Officer Designation
The COSADC Board hereby designates the City authorized investment officers and investment adviser as investment officers for COSADC and grants to them the authority to invest COSADC funds as outlined herein on a non-discretionary basis.

No person may engage in an investment transaction except as provided under the terms of this Policy. Any disbursement of COSADC funds for the purchase of investment instruments must bear the signature of an investment officer.

The investment officers will establish and submit written procedures for the operation of the COSADC investment program consistent with this Investment Policy.

Officers, employees and advisors involved in the investment process shall refrain from personal business activity that could conflict with proper and unbiased execution of the investment program or which could impair their ability to make impartial investment decisions. Any business or personal relationship shall be disclosed to the COSADC Board. If the relationship falls within the second degree of blood or marriage disclosure should also be sent to the Texas Ethics Commission.

Section Seven: Training

All officials designated as investment officers shall attend ten hours of training within twelve months of taking the position and eight hours in each succeeding two year fiscal period (beginning on the first day of the fiscal year) relating to investment responsibilities. The training must include investment controls, security risks, strategy risks, market risks, portfolio diversification and compliance with the Act.

The training provider shall be an independent source approved by the City Investment Committee.

Section Eight: Investment Activity Reporting

Reporting for investments will be made in accordance with the state law. Reports of investments are to be prepared and presented at least quarterly to the COSADC Board. Market values shall be obtained at least monthly from an independent source.

On a quarterly basis the investment officer, or investment adviser, shall prepare a series of detail and management level reports signed by the investment officers in accordance with the Act, disclosing at a minimum:

1) The investment activity for the previous quarter;
2) The book and market value of investments at the beginning and end of the quarter;
3) Assessments of the market value of each investment and change in market value;
4) Fully accrued interest and earnings for the period in accordance with GAAP;
5) The change in market value, and
6) Compliance with the Public Funds Investment Act and this Policy.

Section Nine: Audit

The COSADC independent auditor shall formally review the quarterly investment reports prepared in accordance with this Policy and applicable state statutes. The review shall be conducted annually and the results of the review shall be reported to the COSADC Board. In addition, in conjunction with the annual audit the COSADC shall perform a compliance audit of management controls on investments and adherence to this Policy. Results of this audit will be reported to the Board.

Section Ten: Authorized Financial Institutions and Broker/Dealers

The Investment Officer will maintain a list of financial institutions and broker/dealers authorized to do business with the COSADC. These firms will be selected according to credit worthiness and service. Brokers may include "primary dealers" or regional dealers that qualify under the SEC's Rule 15C3-1 (uniform net capital rule). All broker/dealers must provide the Investment Officer with:

> Proof of Financial Industry Regulatory Authority (FINRA) registration,
> Proof of registration with the Texas State Securities Commission, and
> Completed COSADC questionnaire.

In accordance with the Public Funds Investment Act, a copy of the COSADC's Investment Policy shall be presented to any pool with which COSADC has become a participant. The pool must execute a written certificate in a form acceptable to the COSADC that they have (1) reviewed the Investment Policy and (2) acknowledged that they have implemented reasonable procedures and controls to preclude investment transactions conducted between the COSADC and the firm which are not authorized by the Policy.

The City Investment Committee will at least annually review, revise and adopt a list of authorized brokers authorized to engage in investment transactions.

Section Eleven: Policy Adoption and Revisions

The COSADC Board will review the Investment Policy not less than annually and adopt a resolution stating that the Policy and incorporated strategies have been reviewed and including all changes to the Policy. This Policy may be amended only by action of the COSADC Board.

The COSADC Board and City Investment Oversight Committee are authorized to recommend revisions to the Policy to the COSADC Board whenever such revisions are necessary and prudent due to changes in State Law, the needs of the COSADC, or the economy and market opportunities. All changes to the Policy must be reviewed and adopted by the COSADC Board before any changes are made in the investment process.

ADOPTED on this the __________ day of __________, 2019

CITY OF SAN ANGELO
Addendum to Policy for City and Nasworthy
Attached to policy for adoption

ADDENDUM B

Broker/Dealer List

The authorized list of broker/dealer firms for the City of San Angelo is shown below. Each of these firms, and the individual covering the account, are sent the current Investment Policy. Investment pools are required by law to certify to a review of the policy.

The City's Policy establishes specific criteria for the brokers and requires that the list of broker/dealers be approved annually by the City Council or Investment Committee established by the Council. The City's investment advisor, Patterson & Associates, maintains the brokerage compliance files for the City.

When any material changes are made to the Investment Policy the new Policy is sent out for re-certification.

The broker/dealers certified by the City are:

Bank of America/Merrill Lynch
BOK Financial
Cantor Fitzgerald
FTN Financial
Incapital
Morgan Stanley
Great Pacific Securities
Int'l FC Stone
Mizuho Securities
Oppenheimer
Piper Jaffray
BOK Financial
Raymond James
RBC Capital Markets
Mutual Securities
Stifel Nicolaus
Wells Fargo

Report to Board

CITY OF SAN ANGELO TEXAS Development Corporation

Requestor: Shannon Scott, Economic Development Specialist, COSADC, 325.653.7197

Meeting Date: December 18, 2019

Item type: Regular Item

Caption:

Public Hearing regarding the use of sales and use tax funds in an amount not to exceed $1,057,300 to provide an Economic Development Incentive to ETHICON, INC., for a project related to Business Enterprises that create or retain primary jobs, as authorized for a Type B Corporation under Local Government Code Chapter 505 Subchapter C. (Presentation by Shannon Scott, Business, Retention & Expansion Coordinator)

Summary/History:

EHTICON, INC. plans to invest a minimum of $25,950,000 at their existing medical device manufacturing facility located in San Angelo. This investment will include new production machinery and equipment, software and various facility enhancements. These investments will allow for increased plant production capacity, safety enhancements, and end to end operational efficiency improvements.

They currently have 475 employees which they will retain.

This project was unanimously approved by the COSADC Board at their Nov. 20, 2019 meeting and ratified by City Council at their Dec. 17th, 2019 meeting.

Financial Impact:

Proposed Incentives (Based on a 75% Tax Rebate for Cap. Ex. for 7 years):

Year 1 Capital Investment: $8,200,000
Year 2 Capital Investment: $13,500,000
Year 3 Capital Investment: $4,250,000
Total Capital Investment: $25,950,000

Year 1 Prop. Tax Rebate Incentive: $47,724 ($8.2M x .00776 x 75%)
Year 2 Prop. Tax Rebate Incentive: $126,294 ($13.5M x .00776 x 75% + $47,724)
Year 3 Prop. Tax Rebate Incentive: $151,029 ($4.25M x .00776 x 75% + $47,724 + $78,570)
Year 4 Prop. Tax Rebate Incentive: $151,029 ($47,724 + $78,570 + $24,735)
Year 5 Prop. Tax Rebate Incentive: $151,029 ($47,724 + $78,570 + $24,735)
Year 6 Prop. Tax Rebate Incentive: $151,029 ($47,724 + $78,570 + $24,735)
Year 7 Prop. Tax Rebate Incentive: $151,029 ($47,724 + $78,570 + $24,735)
Year 8 Prop. Tax Rebate Incentive $103,305 ($78,570 + $24,735)
Year 9 Prop. Tax Rebate Incentive: $24,735

Total Proposed Incentives: $1,057,203

Other Information/Recommendation:

Attachments:

1.	20-0071_COSADC_ETHICON_PROJECT_RESO_FINAL	20-0071_COSADC_ETHICON_PROJECT_RESO_FINAL.docx
2.	Ethicon Incentives Spreadsheet	Ethicon Incentives Spreadsheet.xlsx

Presentation:

Approvals/Reviews:

Shannon Scott	Created/Initiated
Dan Saluri	Approved
Nolan Sosa	Approved
Tina Dierschke	Approved
Dan Saluri	Approved
Guy Andrews	Final Approval

A RESOLUTION OF THE CITY OF SAN ANGELO DEVELOPMENT CORPORATION BOARD OF DIRECTORS AUTHORIZING THE USE OF SALES AND USE TAX FUNDS IN AN AMOUNT NOT TO EXCEED $1,057,300, TO PROVIDE AN ECONOMIC DEVELOPMENT INCENTIVE TO ETHICON, INC., FOR A PROJECT RELATED TO BUSINESS ENTERPRISES THAT CREATE OR RETAIN PRIMARY JOBS, AS AUTHORIZED FOR A TYPE B CORPORATION UNDER LOCAL GOVERNMENT CODE CHAPTER 505 SUBCHAPTER D.

WHEREAS, The voters of the City of San Angelo on November 2, 2010 approved the use of sales and use tax proceeds for the continued economic development projects authorized under Section 4B of the Act, including but not limited to, the development, promotion, creation, retention, or expansion of business enterprises that create or retain primary jobs, including suitable infrastructure, and

WHEREAS, ETHICON, INC. specializes in the manufacturing of medical, surgical sutures and wound closure devices in San Angelo and is in the process of expanding its business; and,

WHEREAS, ETHICON, INC. intends to retain at its facilities in San Angelo four hundred and seventy-five (475) existing full time primary jobs; and,

WHEREAS, EHTICON, INC. would like to invest a minimum of $25,950,000 for new production machinery, equipment, software and various facility enhancements for its expansion of its business enterprise in San Angelo; and,

WHEREAS, ETHICON, INC. has applied with COSADC under the Business Retention and Expansion Program (BREP) for an incentive to carry out business expansion plans, and the Board has determined that the Project will promote or develop expansion of a business enterprise that creates or retains primary jobs; and,

WHEREAS, at least sixty (60) days prior to undertaking a project, a public notice of the specific project shall be published and at least one public hearing shall be held by the Development Corporation prior to expending funds on the Project in compliance with the requirements of the Development Corporation Act, Sections 505.159 and 505.160 of the Local Government Code and

WHEREAS, DECEMBER 18, 2019 the City of San Angelo Development Corporation shall hold a Public Hearing on the Project prior to expending authorized grant funds;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF SAN ANGELO DEVELOPMENT CORPORATION THAT:

The City of San Angelo Development Corporation offers this Resolution authorizing the use of sales and use tax funds as an economic development incentive to ETHICON, INC., in an amount not to exceed $1,057,300; authorizing the Director of Economic Development to prepare an economic development performance agreement with ETHICON, INC. in compliance with the Development Corporation Act and as approved by the City Attorney; authorizing the COSADC Board President to execute said agreement and related documents; and recommending to City Council ratification of the incentive and approval of the economic development performance agreement.

ADOPTED THIS _______ DAY OF NOVEMBER, 2019

CITY OF SAN ANGELO DEVELOPMENT CORPORATION

ATTEST: By: ____

Todd Kolls, President

____

Nora Nevarez, Corporate Secretary

APPROVED FOR CONTENT

____

Shannon Scott, Business Retention & Expansion Coordinator

APPROVED AS TO FORM

____

Dan T. Saluri, Deputy City Attorney

Ethicon 3 Year Rebate Worksheet

	Investments									
	Yr 1	8,200,000								
	Yr 2	13,500,000								
	Yr 3	4,250,000								
	Tax Rate	0.00776								
	Yr 1	**Yr 2**	**Yr 3**	**Yr 4**	**Yr 5**	**Yr 6**	**Yr 7**	**Yr 8**	**Yr 9**	**Total**
Phase 1	47724	47724	47724	47724	47724	47724	47724			334068
Phase 2		78570	78570	78570	78570	78570	78570	78570		549990
Phase 3			24735	24735	24735	24735	24735	24735	24735	148410
Totals	47724	126294	151029	151029	151029	151029	151029	103305	24735	**1057203**

Ethicon 3 Year Rebate Worksheet With Depreciation

	Investments									
	Yr 1	8,200,000								
	Yr 2	13,500,000								
	Yr 3	4,250,000								
	Tax Rate	0.00776								
	Yr 1	**Yr 2**	**Yr 3**	**Yr 4**	**Yr 5**	**Yr 6**	**Yr 7**	**Yr 8**	**Yr 9**	**Total**
Phase 1	43906.08	39133.68	35315.76	31497.84	27679.92	23862	20044.08			2.214E+05
Phase 2		72284.4	64427.4	58141.8	51856.2	45570.6	39285	32999.4		364564.8
Phase 3			22756.2	20282.7	18303.9	16325.1	14346.3	12367.5	10388.7	104381.7
Totals	43906.08	111418.08	1.225E+05	1.099E+05	97840.02	85757.7	73675.38	45366.9	10388.7	**7.008E+05**

Report to Board

City of SAN ANGELO TEXAS Development Corporation

Requestor: Shannon Scott, Economic Development Specialist, COSADC, 325.653.7197

Meeting Date: December 18, 2019

Item type: Regular Item

Caption:

Public Hearing regarding the use of sales and use tax funds in an amount not to exceed $36,000 to provide an Economic Development Incentive to CENTURION PLANNING & DESIGN, LLC for a project related to Business Enterprises that create or retain primary jobs, as authorized for a Type B Corporation under Local Government Code Chapter 505 Subchapter C. (Presentation by Shannon Scott, Business, Retention & Expansion Coordinator)

Summary/History:

CENTURION PLANNING & DESIGN, LLC plans to expand their current operations to include the acquisition of a building, renovations to the building, as well as furniture, fixtures and equipment.

They currently have 6 employees which they will retain and anticipate hiring up to 6 additional employees to assist with their expansion.

They plan on investing at least $500,000 for the acquisition of the building, renovations to the building as well as furniture, fixtures and equipment.

This project was unanimously approved by the COSADC Board at their Nov. 20th, 2019 meeting and ratified by City Council at their Dec. 17th, 2019 meeting.

Financial Impact:

Proposed Incentives:

$30,000 one time capital investment grant once the $500,000 capital investment has been made

$1,000 per FTE for up to 6 FTE's.

Total proposed incentives:
$36,000

Other Information/Recommendation:

Attachments:

1.	20-0070_COSADC_CENTURION_PROJECT_RESO_FINAL	20-0070_COSADC_CENTURION_PROJECT_RESO_FINAL.pdf

Presentation:

Approvals/Reviews:

Shannon Scott	Created/Initiated
Dan Saluri	Approved
Nolan Sosa	Approved
Tina Dierschke	Approved
Dan Saluri	Approved
Guy Andrews	Final Approval

A RESOLUTION OF THE CITY OF SAN ANGELO DEVELOPMENT CORPORATION BOARD OF DIRECTORS AUTHORIZING THE USE OF SALES AND USE TAX FUNDS IN AN AMOUNT NOT TO EXCEED $36,000, TO PROVIDE AN ECONOMIC DEVELOPMENT INCENTIVE TO CENTURION PLANNING & DESIGN, LLC, FOR A PROJECT RELATED TO BUSINESS ENTERPRISES THAT CREATE OR RETAIN PRIMARY JOBS, AS AUTHORIZED FOR A TYPE B CORPORATION UNDER LOCAL GOVERNMENT CODE CHAPTER 505 SUBCHAPTER D.

WHEREAS, The voters of the City of San Angelo on November 2, 2010 approved the use of sales and use tax proceeds for the continued economic development projects authorized under Section 4B of the Act, including but not limited to, the development, promotion, creation, retention, or expansion of business enterprises that create or retain primary jobs, including suitable infrastructure, and

WHEREAS, CENTURION PLANNING & DESIGN, LLC provides municipal engineering and related services to include road, street, sidewalk, drainage, wastewater, water utilities, business and industrial park planning, public outreach services, airport planning and airport project management in San Angelo and is in the process of expanding its business; and,

WHERAS, CENTURION PLANNING & DESIGN, LLC intends to retain at its facilities in San Angelo six (6) existing full time primary jobs and would like to create a minimum of three (3), but up to six (6) new Full Time Equivalent Primary Jobs (FTE's); and,

WHEREAS, CENTURION PLANNING & DESIGN, LLC would like to make a capital investment in a minimum of $500,000 for the purchase of an office building, as well as upgrades, furniture, fixtures and equipment for its expansion of its business enterprise in San Angelo; and,

WHEREAS, CENTURION PLANNING & DESIGN, LLC has applied with COSADC under the Business Retention and Expansion Program (BREP) for an incentive to carry out business expansion plans, and the Board has determined that the Project will promote or develop expansion of a business enterprise that creates or retains primary jobs; and,

WHEREAS, at least sixty (60) days prior to undertaking a project, a public notice of the specific project shall be published and at least one public hearing shall be held by the Development Corporation prior to expending funds on the Project in compliance with the requirements of the Development Corporation Act, Sections 505.159 and 505.160 of the Local Government Code and

WHEREAS, on DECEMBER 18, 2019 the City of San Angelo Development Corporation shall hold a Public Hearing on the Project prior to expending authorized grant funds;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF SAN ANGELO DEVELOPMENT CORPORATION THAT:

The City of San Angelo Development Corporation offers this Resolution authorizing the use of sales and use tax funds as an economic development incentive to CENTURION PLANNING & DESIGN, LLC, in an amount not to exceed $36,000; authorizing the Director of Economic Development to prepare an economic development performance agreement with CENTURION PLANNING & DESIGN, LLC in compliance with the Development Corporation Act and as approved by the City Attorney; authorizing the COSADC Board President to execute said agreement and related documents; and recommending to City Council ratification of the incentive and approval of the economic development performance agreement.

ADOPTED THIS 20th DAY OF NOVEMBER, 2019

CITY OF SAN ANGELO DEVELOPMENT CORPORATION

ATTEST: By: ____

Todd Kolls, President

____

Nora Nevarez, Corporate Secretary

APPROVED FOR CONTENT

____

Shannon Scott, Business Retention & Expansion Coordinator

APPROVED AS TO FORM

____

Dan T. Saluri, Deputy City Attorney

Report to Board

CITY OF SAN ANGELO TEXAS Development Corporation

Requestor: Robert Schneeman, Economic Development Coordinator, COSADC, 325.653.7197

Meeting Date: December 18, 2019

Item type: Regular Item

Caption:

Public Hearing regarding the authorization of an expenditure to Centurion Planning and Design in a sum not to exceed $24,765, to perform professional engineering and surveying services for a right turn lane and driveway approach design and final TXDOT permit application services for a project for a portion of the remainder of Block 1 San Angelo Gateway Addition Section 1 of the San Angelo Business & Industrial Park(Presentation made by Robert Schneeman, Economic Development Project Manager)

Summary/History:

Staff had been working with a potential buyer since August 2018 and in March of 2019 received an offer for the sale of 6.4 acres at the southeast corner of the Business & Industrial Park. As a condition of the sale, COSADC agreed to obtain a permit for access to the Loop 306 frontage Road from TXDOT. Centurion Planning & Design was contracted to assist in obtaining that permit and have been working diligently on it since January 2019.

The contract for sale of the land expired in early July 2019 and the buyer is pursuing other options but may still be interested in the property if the other options don't pan out.

Centurion received notice August 16, 2019 that TXDOT would approve the access drive permit contingent on a dedicated turn lane to the property being constructed. (see attached exhibit) Centurion estimates the cost of that turn lane and drive entrance to be approximately $73,000. (See attached OPC)

Staff has received a proposal from Centurion Planning & Design in the amount of $24,765 to provide the required engineering services to design the turn lane and drive approach which would then be advertised for bid.

All or a portion of the cost of the turn lane could be added to the sales price of the affected property. COSADC approved a resolution establishing the project at its regular meeting of October 23, 2019.

Financial Impact:

$24,765 from Acct. No. 700-0700-411.03-20 (DC0169)

Other Information/Recommendation:

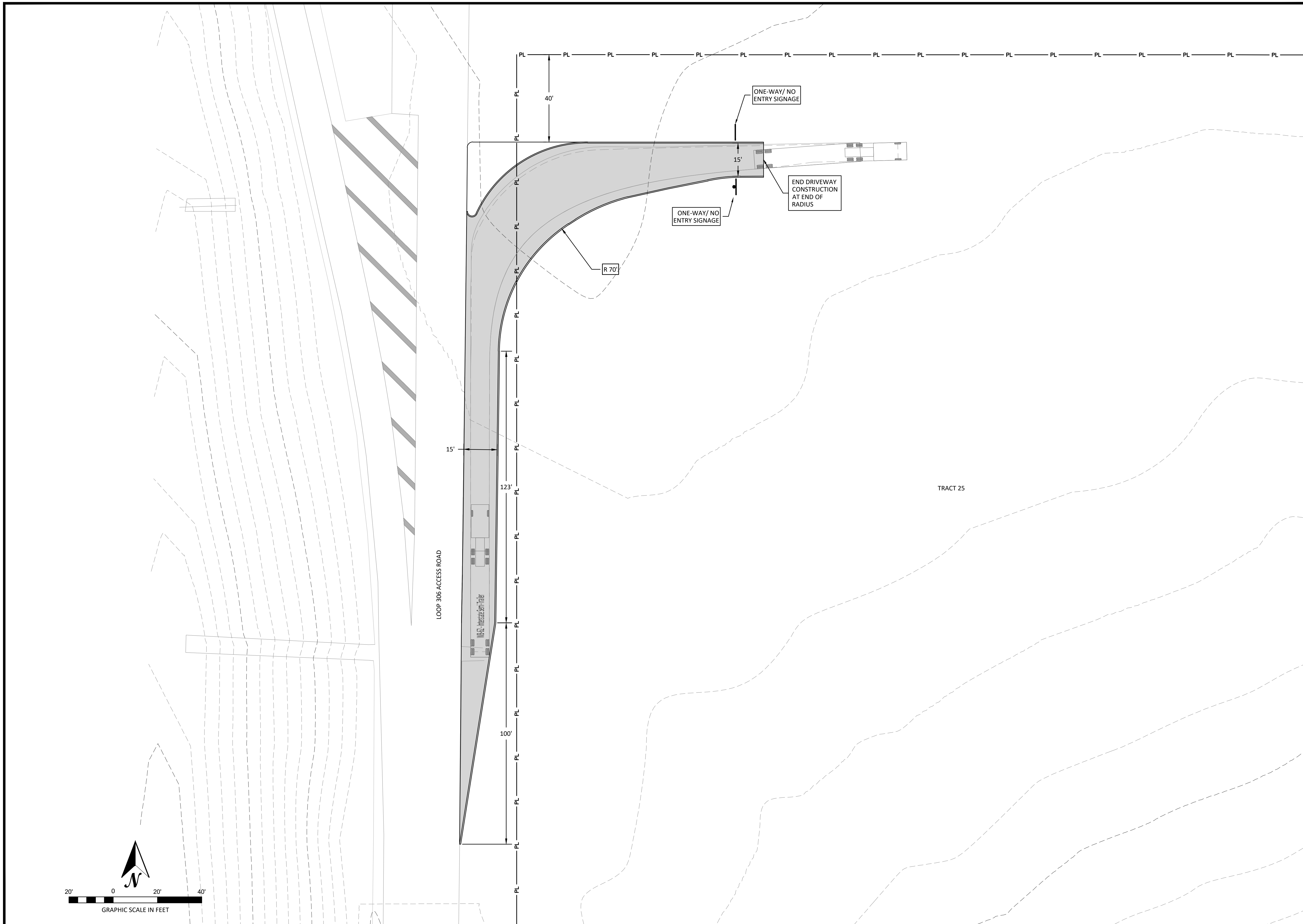
Attachments:

1. FInal Turn Lane Drawing FInal Turn Lane Drawing.pdf

Presentation:

Approvals/Reviews:

Robert Schneeman	Created/Initiated
Dan Saluri	Approved
Nolan Sosa	Approved
Tina Dierschke	Approved
Guy Andrews	Final Approval



centurion
PLANNING AND DESIGN

Centurion Planning and Design
69 N. Chadbourne Street
Suite 210.7
San Angelo, TX 76903

Phone No. (325) 812-8430
Firm No. 19840

SABAIP Site Plan
San Angelo, TX

North Driveway
With Deceleration Lane
Revision 1

MARK	REVISION	DATE

Seal:

THIS DOCUMENT IS RELEASED FOR THE PURPOSE OF INTERIM REVIEW UNDER THE AUTHORITY OF RUSSELL PEHL, P.E., 104755, ON August 15, 2019. IT IS NOT TO BE USED FOR CONSTRUCTION, BIDDING OR PERMIT PURPOSES.

LATEST REVISION:	8/15/2019	Sheet No.
DRAWN BY:	JDA	EX
DESIGNED BY:	JDA	
JOB NO.	COSA1902D	

Report to Board

CITY OF SAN ANGELO TEXAS Development Corporation

Requestor: Nora Nevarez, Executive Office Coordinator, COSADC, 325-653-7197

Meeting Date: December 18, 2019

Item type: Executive Session Item

Caption:

Section 551.087 to deliberate regarding commercial or financial information that the Board is receiving from business prospects with whom economic development negotiations are being conducted, and discuss financial or other incentives relating to the following projects:

Project 2019-W322

Summary/History:

Financial Impact:

Other Information/Recommendation:

Attachments:

Presentation:

Approvals/Reviews:

Nora Nevarez	Created/Initiated
Dan Saluri	Approved
Nolan Sosa	Approved
Tina Dierschke	Approved
Dan Saluri	Approved
Guy Andrews	Final Approval

Report to Board

CITY OF SAN ANGELO TEXAS Development Corporation

Requestor: Robert Schneeman, Economic Development Coordinator, COSADC, 325.653.7197

Meeting Date: December 18, 2019

Item type: Executive Session Item

Caption:

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:

Sale of 4 +/-acres at the San Angelo Business & Industrial Park out of the remainder of Block 1, San Angelo Gateway Addition, Section 1 as recorded in Cabinet "F", Slide 17, Plat Records of Tom Green County, Texas, at a price of $29,000 per acre

Summary/History:

Financial Impact:

Other Information/Recommendation:

Attachments:

Presentation:

Approvals/Reviews:

Robert Schneeman	Created/Initiated
Dan Saluri	Approved
Nolan Sosa	Approved
Tina Dierschke	Approved
Guy Andrews	Final Approval

Report to Board

CITY OF SAN ANGELO TEXAS Development Corporation

Requestor: Nora Nevarez, Executive Office Coordinator, COSADC, 325-653-7197

Meeting Date: December 18, 2019

Item type: Regular Item

Caption:

Consideration and possible action of items discussed in Closed Session, if needed

Summary/History:

Financial Impact:

Other Information/Recommendation:

Attachments:

Presentation:

Approvals/Reviews:

Nora Nevarez	Created/Initiated