

August NBEDC Treasurer's Report

July 21th, 2022

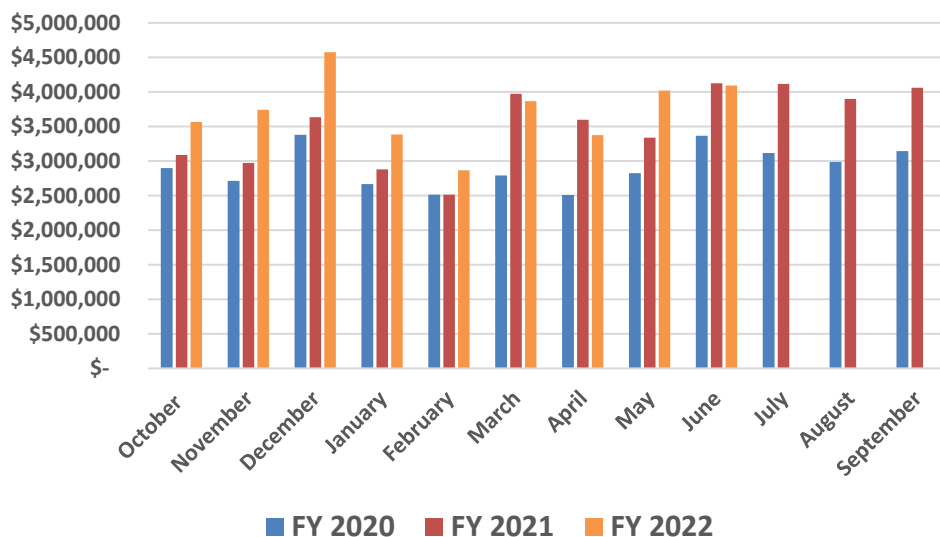
Overview

The Monthly treasurer's report provides updates on sales tax performance, projected revenue streams and projected commitments and timing of expenditures. The financial commitments of the NBEDC typically span multiple fiscal years; therefore, the report is formatted to project the financial position of the NBEDC over the next five years.

Sales Tax

Sales tax collections for the month of June decreased by 0.8%. when the various adjustments from the payment are removed, current to current collections decreased by 0.1%. The June activity continues a trend of overall growth mitigating the majority of loss from HD supply. At the time this report was completed, industry specific information for the month was not yet available. Fiscal year to date, sales taxes remain 11.2% higher in comparison to the prior year.

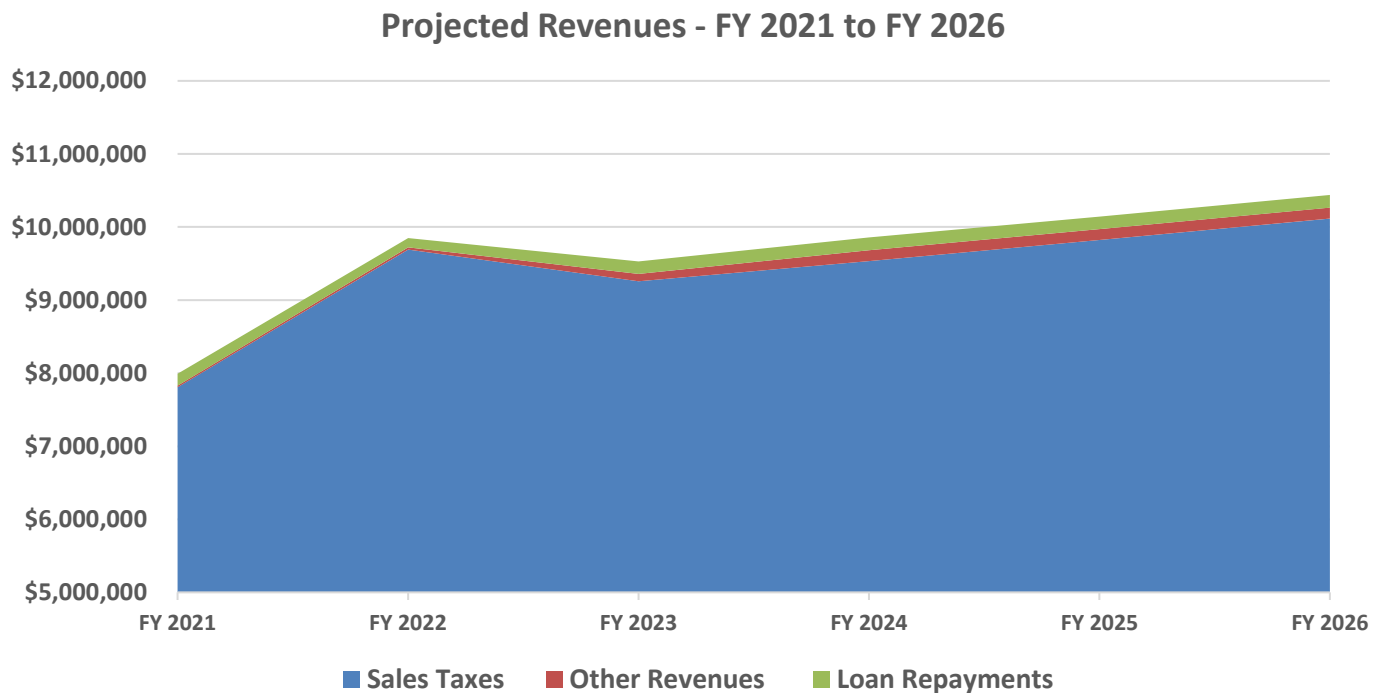
Gross Sales Tax Collections



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Revenues



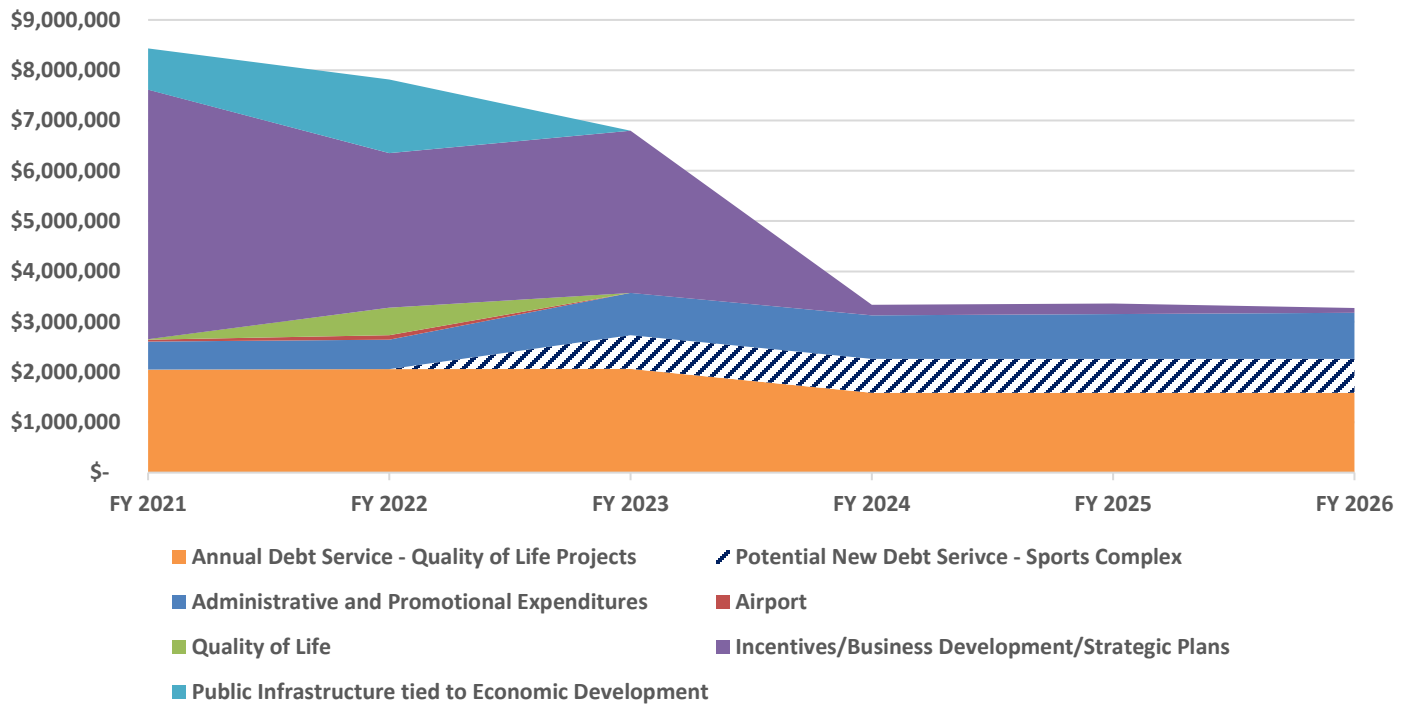
Revenue Projections	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Sales Taxes	\$7,806,626	\$9,691,444	\$9,256,637	\$9,534,337	\$9,820,367	\$10,114,978
Interest Earnings	\$21,931	\$30,000	\$100,000	\$150,000	\$150,375	\$150,751
Loan repayments/reimbursements	\$161,687	\$128,954	\$172,954	\$172,954	\$172,954	\$172,954
Total Revenues	\$7,990,244	\$9,850,398	\$9,529,591	\$9,857,291	\$10,143,696	\$10,438,683

Sales Taxes - the graph and table above reflects the projected impact to sales tax collections from the loss of sales taxes stemming from HD supply, which is scheduled to begin, February 2022. Anecdotally, inflation and other factors impacting the sales tax base seems to be mitigating the majority of those previously mentioned losses.

Loan Repayments – The NBEDC is scheduled to begin receiving loan repayments from the New Braunfels Regional Airport in FY 2022 (ten year) and ASA properties in FY 2023 (five years with a balloon payment in year six).

Total NBEDC Expenditures – Current Commitments

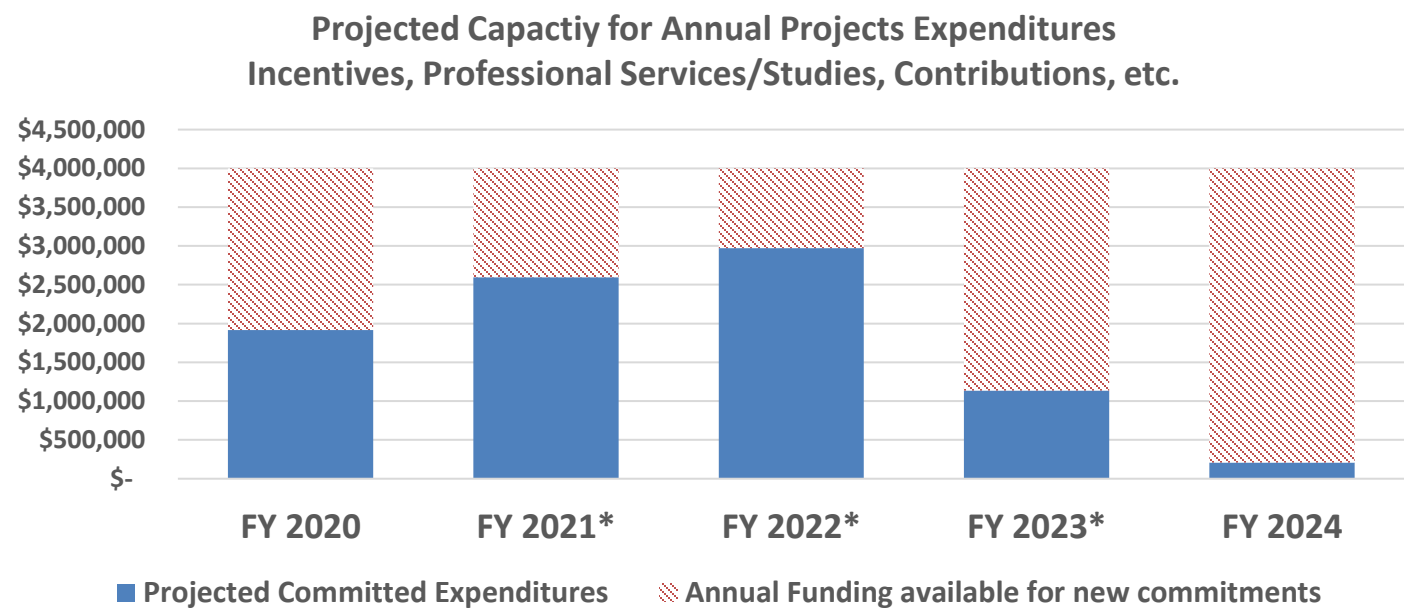
Current Commitment Projections - FY 2021 to FY 2026



Current Commitments	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Admin/Promotional Expenditures	\$557,609	\$584,525	\$840,000	\$865,200	\$891,156	\$917,891
Airport	\$37,405	\$87,478	\$0	\$0	\$0	\$0
Quality of Life	\$9,664	\$546,945	\$0	\$0	\$0	\$0
Incentive/Business Development/Strategic Plans	\$4,962,153	\$3,077,499	\$3,223,226	\$210,576	\$213,576	\$96,576
Public Infrastructure tied to Economic Development	\$818,569	\$1,461,384	\$0	\$0	\$0	\$0
Annual Debt Service	\$2,047,719	\$2,057,494	\$2,060,919	\$1,587,044	\$1,586,294	\$1,588,884
Potential Debt Service			\$672,157	\$672,157	\$672,157	\$672,157
Total Expenditures	\$8,433,119	\$7,815,325	\$6,796,302	\$3,334,977	\$3,363,183	\$3,275,468

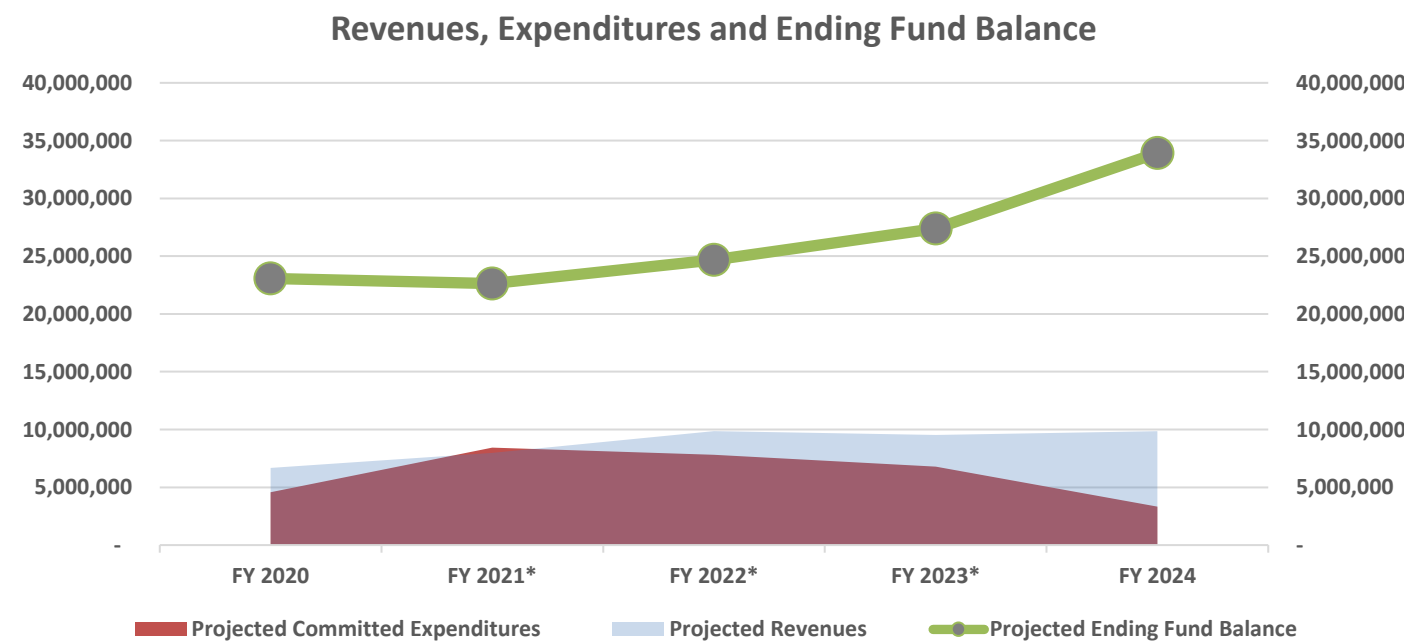
Projections above include all current commitments of the NBEDC – including those most recently approved (Tito's and removal of PNC Bank). The only exception to that is the additional debt service associated with the sports complex. This month's report includes recognition of additional debt service payments to illustrate how that would impact the NBEDC's cash flow if the remaining commitment was funded with debt proceeds (\$10 million)

Annual Capacity for New Commitments



*The graph above assumes that the land grant associated with Continental Automotive (FY 2021), Brauntex (FY 2022), Headwaters (FY 2022) and UPRR (FY 2023) is supported by surplus reserves.

Financial Summary – Revenues, Committed Expenditures and projected Fund Balance (reserves)



*The graph above does not include current non-cash assets such as land and equipment

The graph above summarizes estimated revenues, committed expenditures and changes to fund balance/Reserves (only based on current commitments).

Appendix A: Proposed Budget (REVISED)

City of New Braunfels
New Braunfels Economic Development Corporation
Fiscal Year Ending September 30, 2023

Fund: 212

Available Funds	FY 2021 Actual	FY 2022 Estimate	FY 2023 Proposed Budget
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Beginning Balance

Undesignated Funds	\$ 23,037,987	\$ 22,595,112	\$ 24,630,185
Total Beginning Balance	\$ 23,037,987	\$ 22,595,112	\$ 24,630,185

Revenue

Sales Taxes	\$ 7,806,626	\$ 9,691,444	\$ 9,256,637
Interest Income	21,931	30,000	100,000
Loans, Contributions and Reimbursements	161,687	128,954	172,954
Total Revenue	\$ 7,990,244	\$ 9,850,398	\$ 9,529,591

TOTAL AVAILABLE FUNDS	\$ 31,028,231	\$ 32,445,510	\$ 34,159,776
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APPROPRIATIONS

Administrative and Promotional Expenditures	\$ 557,609	\$ 584,525	\$ 840,000
Airport	37,405	87,478	-
Quality of Life	9,664	546,945	-
Incentives/Business Development/Strategic Plans	4,962,153	3,077,499	3,223,226
Public Infrastructure tied to Economic Development	818,569	1,461,384	-
Annual Debt Service	2,047,719	2,057,494	2,060,919

TOTAL OPERATING APPROPRIATIONS	\$ 8,433,119	\$ 7,815,325	\$ 6,124,145
Ending Fund Balance	\$ 22,595,112	\$ 24,630,185	\$ 28,035,632
TOTAL APPROPRIATIONS	\$ 31,028,231	\$ 32,445,510	\$ 34,159,776