

ORDINANCE NO. 07-71

AN APPROPRIATION ORDINANCE APPROVING AND ADOPTING A BUDGET FOR THE CITY OF PORT ARTHUR SECTION 4A ECONOMIC DEVELOPMENT CORPORATION FOR THE ENSUING FISCAL YEAR BEGINNING OCTOBER 1, 2007 AND ENDING SEPTEMBER 30, 2008 IN ACCORDANCE WITH SECTION 12.03 OF THE BYLAWS OF THE CORPORATION.

WHEREAS, the City Council desires to approve and adopt the Budget attached hereto as Exhibit "A" as the Budget for Fiscal Year 2007-2008 for the City of Port Arthur Section 4A Economic Development Corporation (PAEDC); and

WHEREAS, this Ordinance is necessary for municipal/corporation purposes as delineated under Section 102.009 Local Government Code; and

WHEREAS, the Section 4A Economic Development Corporation Board approved a proposed budget on June 27, 2007; and

WHEREAS, the Section 4A Economic Development Corporation Budget was included in the City Manager's Budget as submitted to City Council on July 17, 2007; and

WHEREAS, the City Council conducted a Public Hearing on the proposed budget on August 28, 2007; and

WHEREAS, the City Council approved Resolution 07-396 approving the use of EDC funds for Sports and Athletic (Proposition 8) purposes; and

WHEREAS, the City Council has proposed a 3% increase for non civil service employees to be considered for approval at the September 25, 2007 meeting; and

WHEREAS, the City Council will consider the continued use of EDC funds for demolition programs (Proposition 9) at the September 25, 2007 meeting.

WHEREAS, on September 19, 2007 the EDC Board of Directors approved the allocation of \$250,000 for Proposition 8 purposes; and

WHEREAS, on September 19, 2007, the EDC Board of Directors approved the allocation of \$250,000 for Proposition 9 purposes contingent upon City Council approval

WHEREAS, on September 19, 2007, the EDC Board of Directors approved an increase for EDC employees in the same amount as was being received for city employees, which is 3 %

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PORT ARTHUR:

Section 1. That the facts and opinions in the preamble are true and correct.

Section 2. That the budget of the City of Port Arthur Section 4A Economic Development Corporation is hereby adopted and approved as shown in Exhibit "A" with the following changes.

- Use of Funds for Sports and Athletic purposes
as approved by Council Resolution 07-396 \$250,000
- 3% salary increase for EDC authorized positions,
pending approval of PO 5782 \$ 7,338
- Use of Funds for demolition, pending passage
of Proposed Resolution 14281 \$250,000

Section 3. That the Executive Director of the Economic Development Corporation shall file a true and correct copy of the Ordinance and the budget with the County Clerk of Jefferson County, the County Clerk of Orange County, and with the Texas Department of Economic Development.

Section 4. That this Ordinance is effective from and after its passage.

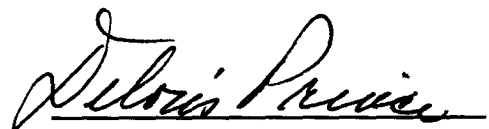
Section 5. That a copy of the caption of this Ordinance be spread upon the Minutes of the City Council.

READ, ADOPTED AND APPROVED on this 25th day of September, A.D., 2007, at a

Regular Meeting of the City Council of the City of Port Arthur, Texas, by the following vote:

AYES Mayor Prince; Mayor Pro Tem Sinegal;
City Council members Chatman, Jones, Henderson,
Flood and Williamson


NOES None



Mayor Deloris Prince



City Secretary

APPROVED AS TO FORM:



City Attorney

APPROVED FOR ADMINISTRATION:



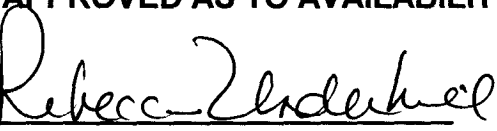
City Manager

APPROVED FOR SECTION 4A ECONOMIC DEVELOPMENT CORPORATION:



Floyd Batiste

APPROVED AS TO AVAILABILITY OF FUNDS:



Director of Finance

EXHIBIT “A”

CITY OF PORT ARTHUR 2007-2008 BUDGET
ECONOMIC DEVELOPMENT CORPORATION

	Actual	Actual	Budget as amended	Estimated	Proposed
	04-05	05-06	06-07	06-07	07-08
<u>REVENUES AND OTHER SOURCES</u>					
Sales Tax	\$ 2,825,888	\$ 3,469,627	\$ 3,412,260	\$ 3,600,000	\$ 3,750,000
Transfer from reserve	1,000,000	2,250,000	-	-	-
Prior year refund expense	40,790	9,568	-	-	-
Miscellaneous revenue	1,379	32,408	-	258,750	145,000
Interest revenue	114,763	140,882	50,000	85,000	65,000
TOTAL REVENUES	3,982,820	5,902,485	3,462,260	3,943,750	3,960,000
<u>EXPENDITURES</u>					
EDC Operating Expenditures	1,595,963	4,422,373	4,526,569	4,088,087	4,991,573
Debt Service					
Business Park Bond	383,865	385,450	387,775	386,525	387,090
EDC Sales Tax Bond	588,991	585,991	582,491	582,491	578,491
Transfer to Reserves:					
Development Reserve	2,000,000	-	-	-	-
TOTAL EXPENDITURES	4,568,819	5,393,814	5,496,835	5,057,103	5,957,154
<u>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</u>					
	(585,999)	508,671	(2,034,575)	(1,113,353)	(1,997,154)
<u>OPERATING FUND BALANCE</u>					
Beginning of the year	4,041,348	3,455,349	3,964,020	3,964,020	2,850,667
End of the year	<u>\$ 3,455,349</u>	<u>\$ 3,964,020</u>	<u>\$ 1,929,445</u>	<u>\$ 2,850,667</u>	<u>\$ 853,513</u>
<u>Reserves</u>					
Operating	\$ 3,455,349	\$ 3,964,020	\$ 1,929,445	\$ 2,850,667	\$ 853,513
CDC	250,000	-	-	-	-
Westside Reserve	-	-	-	-	-
Development	3,000,000	1,000,000	1,500,000	1,000,000	1,000,000
	<u>\$ 6,705,349</u>	<u>\$ 4,964,020</u>	<u>\$ 3,429,445</u>	<u>\$ 3,850,667</u>	<u>\$ 1,853,513</u>

CITY OF PORT ARTHUR 2007-2008 BUDGET
BUDGET SUMMARY
ECONOMIC DEVELOPMENT CORPORATION

Expenditures by Category

	<u>Actual</u> <u>04-05</u>	<u>Actual</u> <u>05-06</u>	<u>Budget</u> <u>as amended</u> <u>06-07</u>	<u>Estimated</u> <u>06-07</u>	<u>Proposed</u> <u>07-08</u>
Salaries and Benefits	\$ 182,368	\$ 231,264	\$ 357,069	\$ 252,595	\$ 293,018
Supplies and Materials	13,492	31,981	13,200	8,550	11,275
Maintenance	10,066	6,387	5,500	1,350	7,000
Contractual Service	230,772	1,006,669	742,100	631,566	505,280
Capital Outlay	7,850	44,703	350,400	322,167	2,960,000
Special Projects	<u>1,151,415</u>	<u>3,101,369</u>	<u>3,058,300</u>	<u>2,871,859</u>	<u>1,215,000</u>
TOTAL EXPENDITURES	<u>\$ 1,595,963</u>	<u>\$ 4,422,373</u>	<u>\$ 4,526,569</u>	<u>\$ 4,088,087</u>	<u>\$ 4,991,573</u>

Expenditures by Division

Economic Development Corp.	<u>\$ 1,595,963</u>	<u>\$ 4,422,373</u>	<u>\$ 4,526,569</u>	<u>\$ 4,088,087</u>	<u>\$ 4,991,573</u>
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Authorized Positions

Economic Development Corp.	<u>6</u>	<u>6</u>	<u>6</u>	<u>5</u>	<u>5</u>
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CITY OF PORT ARTHUR 2007-2008 BUDGET
DETAIL EXPENDITURES
ECONOMIC DEVELOPMENT CORPORATION

	Actual 04-05	Actual 05-06	Budget as amended 06-07	Estimated 06-07	Proposed 07-08
<u>Salaries and Benefits</u>					
Regular Earnings	\$ 105,462	\$ 146,671	\$ 238,308	\$ 177,897	\$ 204,158
Overtime	7,180	1,470	1,500	1,000	1,500
Allowances	-	5,675	6,360	5,815	5,912
Extra Help	37,544	9,991	5,500	-	-
Social Security	10,730	12,148	18,283	14,050	15,996
Retirement	14,224	19,668	32,635	23,090	26,120
Health Insurance	15,912	24,022	46,528	25,825	33,790
Workers Compensation	1,376	685	1,905	493	551
Terminating Pay	(10,060)	10,934	6,050	4,425	4,991
<u>Total Salaries and Benefits</u>	<u>182,368</u>	<u>231,264</u>	<u>357,069</u>	<u>252,595</u>	<u>293,018</u>
<u>Supplies and Materials</u>					
Office Supplies	9,979	22,067	9,000	6,500	6,000
Fuel & Lubrication	1,459	4,224	1,500	600	1,500
Minor Equipment	1,351	4,006	200	-	2,500
Uniform and Cleaning	187	1,684	500	450	500
Other Supplies	516	-	2,000	1,000	775
<u>Total Supplies and Materials</u>	<u>13,492</u>	<u>31,981</u>	<u>13,200</u>	<u>8,550</u>	<u>11,275</u>
<u>Maintenance</u>					
Building Maintenance	3,908	2,162	2,000	1,050	1,500
Land Maintenance	-	650	-	-	-
Equipment Maintenance	4,446	2,296	1,000	-	3,500
Motor Vehicle Maintenance	1,712	1,279	2,500	300	2,000
<u>Total Maintenance</u>	<u>10,066</u>	<u>6,387</u>	<u>5,500</u>	<u>1,350</u>	<u>7,000</u>
<u>Contractual Service</u>					
Rent	62,496	53,388	48,000	47,640	35,730
Insurance	4,966	1,363	42,500	39,058	7,600
Professional Services	91,427	369,451	280,700	265,800	234,000
Administrative Services	-	436,698	200,000	147,600	134,850
Advertising	22,432	37,071	37,000	33,350	15,000
Travel & Education	17,887	51,311	28,000	25,000	18,500
Dues & Subscriptions	1,791	11,950	12,500	9,073	2,500
Education and Training	755	4,907	7,000	6,500	5,000
Other Contractual Service	82	11,033	55,000	31,975	21,000
Utilities	18,045	20,281	21,600	15,520	21,600
Communications	10,891	9,216	9,800	10,050	9,500
<u>Total Contractual Services</u>	<u>230,772</u>	<u>1,006,669</u>	<u>742,100</u>	<u>631,566</u>	<u>505,280</u>
<u>Capital Outlay</u>	<u>7,850</u>	<u>44,703</u>	<u>350,400</u>	<u>322,167</u>	<u>2,960,000</u>
<u>Special Projects</u>					
Development	320,297	2,525,433	2,209,800	2,341,859	1,000,000
Business Park	48,696	-	145,000	-	65,000
Business Park Marketing	351,432	65,736	-	-	-
Westside Development	430,990	-	-	-	-
4B Development	-	500,000	500,000	500,000	-
Training Project	-	10,200	203,500	30,000	150,000
<u>Total Special Projects</u>	<u>1,151,415</u>	<u>3,101,369</u>	<u>3,058,300</u>	<u>2,871,859</u>	<u>1,215,000</u>
TOTAL EXPENDITURES	\$ 1,595,963	\$ 4,422,373	\$ 4,526,569	\$ 4,088,087-	\$ 4,991,573

CITY OF PORT ARTHUR 2007-2008 BUDGET
ECONOMIC DEVELOPMENT CORPORATION
DEBT SERVICE FUND

	<u>Actual</u> <u>04-05</u>	<u>Actual</u> <u>05-06</u>	<u>Budget</u> <u>06-07</u>	<u>Estimated</u> <u>06-07</u>	<u>Proposed</u> <u>07-08</u>
<u>REVENUES AND OTHER SOURCES</u>					
Transfer from operations	\$ 588,991	\$ 585,991	\$ 582,491	\$ 582,491	\$ 578,491
Interest Revenue	<u>12,406</u>	<u>26,561</u>	<u>30,000</u>	<u>28,000</u>	<u>30,000</u>
TOTAL REVENUES	<u>601,397</u>	<u>612,552</u>	<u>612,491</u>	<u>610,491</u>	<u>608,491</u>
<u>EXPENDITURES</u>					
Principal Retirements	260,000	270,000	280,000	280,000	290,000
Interest	328,991	315,991	302,491	302,491	288,491
Fiscal Charges	<u>500</u>	<u>500</u>	<u>500</u>	<u>500</u>	<u>500</u>
TOTAL EXPENDITURES	589,491	586,491	582,991	582,991	578,991
<u>EXCESS (DEFICIENCY) OF</u> <u>REVENUES OVER EXPENDITURES</u>	11,906	26,061	29,500	27,500	29,500
<u>OPERATING FUND BALANCE</u>					
Beginning of the year	<u>608,942</u>	<u>620,848</u>	<u>646,909</u>	<u>646,909</u>	<u>674,409</u>
End of the year	<u>\$ 620,848</u>	<u>\$ 646,909</u>	<u>\$ 676,409</u>	<u>\$ 674,409</u>	<u>\$ 703,909</u>

CITY OF PORT ARTHUR 2007-2008 BUDGET
ECONOMIC DEVELOPMENT CORPORATION
RESERVE FUNDS

	<u>Actual</u> <u>04-05</u>	<u>Actual</u> <u>05-06</u>	<u>Budget</u> <u>06-07</u>	<u>Estimated</u> <u>06-07</u>	<u>Proposed</u> <u>07-08</u>
<u>DEVELOPMENT RESERVE</u>					
Transfer from (to) Operating Fund	\$ 2,000,000	\$ (2,000,000)	\$ 500,000	\$ -	\$ -
Fund Balance, Beginning of Year	<u>1,000,000</u>	<u>3,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>
Development Reserve Balance	\$ 3,000,000	\$ 1,000,000	\$ 1,500,000	\$ 1,000,000	\$ 1,000,000
<u>WEST SIDE DEVELOPMENT RESERVE</u>					
Transfer from (to) Operating Fund	\$ (1,000,000)	\$ -	\$ -	\$ -	\$ -
Fund Balance, Beginning of Year	<u>1,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
West Side Development Reserve	\$ -	\$ -	\$ -	\$ -	\$ -
<u>BANK CDC</u>					
Transfer from (to) Operating Fund	\$ 250,000	\$ (250,000)	\$ -	\$ -	\$ -
Fund Balance, Beginning of Year	<u>-</u>	<u>250,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Bank CDC Reserve	\$ 250,000	\$ -	\$ -	\$ -	\$ -
<u>DEBT SERVICE RESERVE</u>					
Excess (deficiency) of revenue over expenditures	\$ 11,906	\$ 26,061	\$ 29,500	\$ 27,500	\$ 29,500
Fund Balance, Beginning of Year	<u>608,942</u>	<u>620,848</u>	<u>646,909</u>	<u>646,909</u>	<u>674,409</u>
Debt Service Reserve	\$ 620,848	\$ 646,909	\$ 676,409	\$ 674,409	\$ 703,909
<u>OPERATING RESERVE</u>					
Excess (deficiency) of revenue over expenditures	\$ (585,999)	\$ 508,671	\$ (2,034,575)	\$ (1,113,353)	\$ (1,997,154)
Fund Balance, Beginning of Year	<u>4,041,348</u>	<u>3,455,349</u>	<u>3,964,020</u>	<u>3,964,020</u>	<u>2,850,667</u>
Operating Reserve, End of Year	\$ 3,455,349	\$ 3,964,020	\$ 1,929,445	\$ 2,850,667	\$ 853,513
<u>TOTAL RESERVES</u>	\$ 7,326,197	\$ 5,610,929	\$ 4,105,854	\$ 4,525,076	\$ 2,557,422