

Becky Haas, Director
Joe Bonham, Vice-President
Verge Greenwood, Secretary
Terry Gaul, Director

Kit Jones, Director
William Morefield III, Director
Nancie Rain, Director



RICHMOND

DEVELOPMENT CORPORATION OF RICHMOND

PUBLIC NOTICE OF MEETING

A meeting of the Board of Directors of the Development Corporation of Richmond will be held **via**

Video Conference call

(pursuant to Texas Government Code, Section 551.127)

Time: Dec 8, 2020 06:00 PM Central Time (US and Canada)

Join Zoom Meeting

<https://zoom.us/j/95766625093>

Meeting ID: 957 6662 5093

One tap mobile

+13462487799,,95766625093# US (Houston)

+16699006833,,95766625093# US (San Jose)

Dial by your location

+1 346 248 7799 US (Houston)

+1 669 900 6833 US (San Jose)

+1 253 215 8782 US (Tacoma)

+1 929 205 6099 US (New York)

+1 301 715 8592 US (Washington D.C)

+1 312 626 6799 US (Chicago)

Meeting ID: 957 6662 5093

on the **8th day of December, 2020** commencing at **6:00 p.m.** to consider the following:

In compliance with the recommendations of the CDC and other governmental agencies, to limit meetings to less than ten persons to limit the spread of the COVID-19 virus, members of the public will not be permitted to attend the meeting in person. However, members of the public may submit comments to the City Commission in any of the following ways: 1) emailing the City Secretary at lsCarlato@ci.richmond.tx.us; 2) delivering written comments to City Hall drop box prior to the meeting; or 3) by notifying the City Secretary in advance that they wish to be contacted by phone at 281-342-5456 option 2 during the meeting in order to make their comments during the comments from the audience for Agenda Items portion of the meeting.

2. Elect Officer Positions for the DCR Board.
3. Public Comments. (Public comment is limited to a maximum of 3 minutes per item. No deliberations with DCR Board. Time may not be given to another speaker.)
4. Review and consider taking action on the minutes of the regular meeting held on November 17, 2020.
5. Review Financial Reports through November 30, 2020.
6. Consider and take action on recommendations for future agenda items.
7. Adjournment

If, during the course of the meeting covered by this Agenda, the Board shall determine than an executive session of the Board, should be held or is required in relation to any item included in this Agenda, then such executive session, as authorized by the Texas Open Meetings Act, will be held by the Board at the date, hour, and place given in this Agenda concerning any and all subjects and for any and all purposes permitted by Sections 551.071-551.090 of the Texas Government Code, including, but not limited to, Section 551.071 for purpose of a private consultation with the Board's attorney on any or all subjects or matters authorized bylaw.

NOTICE OF ASSISTANCE AT THE PUBLIC MEETING

The Development Corporation of Richmond (DCR) meetings are available to all persons regardless of disability. This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations, should you require special assistance, must be made 48 hours prior to this meeting. Braille is not available. Please contact the City Secretary's office at (281) 342-5456 for needed accommodations.

CERTIFICATE

I certify that the above notice of meeting was posted on a bulletin board located at a place convenient to the public in the City Hall, Richmond, Texas, on the 4th day of December, 2020, at a.m./p.m.

Laura Scarlato City Secretary



RICHMOND

DEVELOPMENT CORPORATION OF RICHMOND

December 8, 2020 Board Meeting

1. Call to Order.



December 8, 2020 Board Meeting

2. Elect Officer Positions for the DCR Board.

DEVELOPMENT CORPORATION OF RICHMOND

BOARD MEMBERS

<u>MEMBER</u>	<u>MEETING DATE</u>	<u>TERM</u>
Rebecca "Becky" K. Haas, President	Election	11.16.20 – 05.04.23
Joe Bonham - Vice Pres	06.17.19	07.17.19 – 07.17.21
Terry Gaul	11.16.20	11.16.20 – 05.01.21
Verge Greenwood -Secretary	05.18.20	06.01.20 – 05.31.22
Kit Jones	11.16.20	06.01.20 – 05.31.22
William "Klip" Morefield	11.16.20	11.18.20 – 11.18.22
Nancie Rain	05.18.20	06.01.20 – 05.31.22

Requirements:

Must be a resident of Richmond, Texas

7 members, of which 3. are not employees, officers, or members of the governing body of the City of Richmond

Shall be **two-year terms**, except for elected officials who are elected for 3-year terms. Only two elected officials serve on the board.

Meeting: Annual meeting - no later than December of each year.

Res No. 98-2015 Joe Bonham original meeting 06.15.15

Res No. 112-2015 Appointed Carl Drozd Meeting 10.19.15 Term 11.18.15-11.18.17

Res No. 122-2015 Appointed Dave Scott Meeting 12.14.15 Term 01.21.16-01.21.18

Res No. 134-2016 Barry Beard Replaced Dave Scott when conflict with Tx Water Board on 02.15.16 Mtng. 02.15.16 – 01.21.18

Res No. 141-2016 Appointed Verge Greenwood & Robert Haas Meeting 05.16.16 Term 06.01.16-06.01.18

Res No. 166-2016 Declared Drozd and Torres Positions Vacant –Amended By-Laws Meeting 11.17.16

Res No. 169-2016 Appointed William Morefield due to change in By-laws Meeting 12.19.16 Term 12.19.16-11.18.17

Res No. 190-2017 Reappointed Joe Bonham due to term exp. Meeting 07.17.17 Term 07.17.17-07.17.19

Res No. 199-2017 Reappointed William Morefield due to term exp. Meeting 10.30.17 Term 11.18.17-11.18.20

Res No. 231-2018 Reappointed Greenwood & Haas due to term exp. Meeting 05.21.18 Term 06.01.18-05.31.20

Appointed Nancie Rain to replace Manual Zamora (term expired and he passed away) Term 05.19.18-05.31.20

Carl Drozd was sworn in 06.11.19 to replace Barry Beard per the COR governing body per DCR By-Laws 2016

Res No. 280-2019 Reappoint Bonham due to term expire. Meeting 06.17.19 Term 07.17.19 – 07.17.21

Res No. 237-2020 Reappoint Rain & Greenwood Meeting 05.18.20 Terms 06.01.20 – 05.31.22

Res No. 347-2020 Reappoint Klip Morefield due to expire. Meeting 11.16.20 Term 11.18.20 – 11.18.22
Appoint Kit Jones to replace Robert Haas who stepped down due to Becky Haas Mayor. Meeting
11.16.20, Term 06.01.20 – 05.31.20
Terry Gaul replaced Carl Drozd as the newly appointed Mayor Pro Tem at the 11.16.20 meeting.



December 8, 2020 Board Meeting

3. Public Comments. (Public comment is limited to a maximum of 3 minutes per item. No Deliberations with the DCR Board. Time may not be given to another speaker.)



December 8, 2020 Board Meeting

4. Review and consider taking action on the minutes of the regular meeting held on November 17, 2020.



STATE OF TEXAS

COUNTY OF FORT BEND

CITY OF RICHMOND

The Development Corporation of Richmond convened in a regular meeting open to the public and pursuant to notice thereof duly given in accordance with Section 501.072, Local Government Code, Vernon's Texas Codes, in Richmond City Hall Annex within said City on November 17, 2020 at 6:00 p.m. Directors in attendance included the following:

President - Vacant	Vice President, Joe Bonham
Secretary, Verge Greenwood - Absent	Treasurer, Vacant
Terry Gaul	Becky Haas
Kit Jones	William B. Morefield, III
Nancie Rain - Absent	Terri Vela – City Manager
City Attorney – Gary Smith	Executive Director – Jerry Jones
City Secretary – Laura Scarlato	

Vice President Bonham proceeded to call the meeting to order at 6:01 p.m. via video conference pursuant to Texas Government Code, Section 551.125, as amended, and as modified by the temporary suspension of various provisions thereof effective March 16, 2020, by the Governor of Texas in accordance with the Texas Disaster Act of 1975, all as related to the Governor's proclamation on March 13, 2020, certifying that the COVID-19 pandemic poses an imminent threat of disaster and declaring a state of disaster for all counties in Texas. All members of the public may participate in the meeting via video conference call.

There was a quorum present.

Agenda item A2, Oath of Office given to new Board Members. City Secretary Laura Scarlato led the oath for newly elected Becky Haas, and appointed Kit Jones (replaced Robert Haas), and Terry Gaul (Appointed Pro Tem to replace Carl Drozd) and William Morefield (reappointed).

Agenda item A3 was introduced for public comments. There were no individuals signed up to speak therefore the agenda item was closed.

Agenda item A4, to review and consider taking action on the minutes of the regular meeting held on October 13, 2020. Vice President Bonham asked for changes or discussion regarding the minutes and there were no suggestions or changes. Director Becky Haas made the motion to approve the minutes for the October 13, 2020 meeting. Director Morefield seconded the motion and the vote was unanimous to approve.

Agenda item A5, Introduction of Jerry Jones, Economic Development Director. City Manager Vela introduced Mr. Jones stating he came from Baton Rouge, Louisiana. He was welcomed by the Board as he stated he is very excited to be at the City of Richmond.

Vice President Bonham asked for a review of the Financial Reports through October 13, 2020. City Manager Vela introduced Finance Director Justin Alderete to review the Financials. Finance Director Alderete provided an overall explanation of the Financial Reports for the new and current Board Members. At this time, the DCR finances are stable which is due to the way the City is comprised. Director Gaul inquired about the sales tax allocation percentages and there was a brief discussion. There was no action required therefore, the agenda item was closed.

Agenda item A7, Consider and take action on recommendations for future agenda items. City Manager Vela requested the election of Development Corporation Officers be on the agenda for the next meeting. Director Gaul made the motion to approve the request for agenda item with Director Becky Haas seconding the motion. The vote was unanimous to approve. City Manager Vela also stated that former Director Robert Haas requested at a prior meeting to have a report of the status of all of the Development Corporation Projects.

Vice President Bonham announced the board would adjourn to Executive Session at 6:27 p.m., as authorized by Texas Government Code, Sections 551.087 Economic Development Negotiations

The Board reconvened at 6:53 p.m.

There was no action taken during Executive Session.

There being no further business to come before the Development Corporation of Richmond, the meeting was adjourned at 6:53 p.m.

APPROVED:

Joe Bonham, Vice President

ATTEST:

Laura Scarlato, City Secretary



December 8, 2020 Board Meeting

5. Review Financial Reports through November 30, 2020.

BALANCE SHEET

AS OF: NOVEMBER 30TH, 2020

85 -DEVELOPMENT CORPORATION

ASSETS

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1100	CLAIM ON CASH-DEVELOPMENT CORP	0.00
1101	Combined Securities - DCR	4,768,370.39
1105	CASH IN BANK-DEVELOPMENT CORP	433,379.72
1120	DCR WF - Sweep Accrued Interes	2,483.62
1200	INVESTMENTS	0.00
1302	SALES TAX RECEIVABLE	313,649.23
1303	OTHER RECEIVABLE	0.00
1370	ACCOUNTS RECEIVABLE - INVOICED	0.00
1500	PREPAID ASSET	0.00
1501	ACCRUED WORKERS COMP	0.00
1502	ACCRUED EXPENSES	0.00
1610	DUE TO (FROM) GENERAL	0.00
1620	DUE TO (FROM) WATER/SEWER	0.00
1621	DUE TO (FROM) METER	0.00
1622	DUE TO/FROM SURFACE WATER	0.00
1623	DUE TO/FROM RIVER PARK WEST	0.00
1625	DUE TO (FROM) CONSTRUCTION II	0.00
1626	DUE TO (FROM) FIRE SERVICE CAP	0.00
1630	DUE TO (FROM) DEBT SERVICE	0.00
1631	DUE TO (FROM) DEBT 1999 SERIES	0.00
1632	DUE TO/FROM DEBT-99 SERIES II	0.00
1640	DUE TO (FROM) WASTEWATER IMPAC	0.00
1650	DUE TO (FROM) WATER IMPACT	0.00
1660	DUE TO (FROM) PARK IMPROVEMENT	0.00
1665	DUE TO (FROM) STATE FUNDS(NARC	0.00
1666	DUE TO (FROM) FEDERAL FUNDS	0.00
1667	DUE TO (FROM) EQUIPMENT GRANT	0.00
1687	DUE TO/FROM SEED	0.00
1688	DUE TO/FROM WEED	0.00
1689	DUE TO/FROM HIGHER EDUCATION	0.00
1690	DUE TO (FROM) CDBG	0.00
1691	DUE TO/FROM TCLEOSE-FIRE	0.00
1692	DUE TO (FROM) COURT TECHNOLOGY	0.00
1693	DUE TO (FROM) COURT SECURITY	0.00
1696	DUE TO (FROM) TCLEOSE-POLICE	0.00
1697	DUE TO/FROM GEN FIXED ASSETS	0.00
1698	DUE TO/FROM DCR CASH/SWEEP	0.00

TOTAL ASSETS

5,517,882.96

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LIABILITIES

=====

2000	DEVELOPEMENT CORP ACCT PAYABLE	0.00
2014	RETAINAGE PAYABLE	0.00
2105	DEFERRED REVENUE	0.00
2140	ACCOUNTS PAYABLE	0.00
2199	DUE TO POOLED CASH	0.00

BALANCE SHEET

AS OF: NOVEMBER 30TH, 2020

85 -DEVELOPMENT CORPORATION

TOTAL LIABILITIES 0.00

FUND BALANCE

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2900	UNAAPROPRIATED SURPLUS	5,434,138.19	
2950	TRANSFER TO I & S	0.00	
2999	BALANCING ENTRY	0.00	
	SURPLUS (DEFICIT)	<u>(55,380.87)</u>	
	TOTAL FUND BALANCE		<u>5,378,757.32</u>
	(WILL CLOSE TO FUND BAL.)	139,125.64	

TOTAL LIABILITIES AND FUND BALANCE 5,517,882.96

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END OF REPORT

CITY OF RICHMOND
 REVENUE AND EXPENSE REPORT (UNAUDITED)
 AS OF: NOVEMBER 30TH, 2020

85 -DEVELOPMENT CORPORATION
 FINANCIAL SUMMARY

16.67% OF FISCAL YEAR

	CURRENT BUDGET	CURRENT PERIOD	YEAR-TO-DATE ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>REVENUE SUMMARY</u>					
ALL REVENUE	<u>1,673,000.00</u>	<u>176,024.83</u>	<u>313,737.16</u>	<u>18.75</u>	<u>1,359,262.84</u>
TOTAL REVENUES	<u>1,673,000.00</u>	<u>176,024.83</u>	<u>313,737.16</u>	<u>18.75</u>	<u>1,359,262.84</u>
	=====	=====	=====	=====	=====
<u>EXPENDITURE SUMMARY</u>					
DEVELOPMENT CORP	<u>3,471,046.00</u>	<u>36,817.68</u>	<u>369,118.03</u>	<u>10.63</u>	<u>3,101,927.97</u>
TOTAL EXPENDITURES	<u>3,471,046.00</u>	<u>36,817.68</u>	<u>369,118.03</u>	<u>10.63</u>	<u>3,101,927.97</u>
	=====	=====	=====	=====	=====
REVENUE OVER/(UNDER) EXPENDITURES	(1,798,046.00)	139,207.15	(55,380.87)	3.08	(1,742,665.13)
	=====	=====	=====	=====	=====

CITY OF RICHMOND
 REVENUE AND EXPENSE REPORT (UNAUDITED)
 AS OF: NOVEMBER 30TH, 2020

85 -DEVELOPMENT CORPORATION

16.67% OF FISCAL YEAR

REVENUES	CURRENT BUDGET	CURRENT PERIOD	YEAR-TO-DATE ACTUAL	% OF BUDGET	BUDGET BALANCE
3015 SALES TAX REVENUE	1,665,000.00	175,982.41	313,649.23	18.84	1,351,350.77
3055 INTEREST INCOME	3,000.00	42.42	87.93	2.93	2,912.07
3060 INTERGOVERNMENTAL	0.00	0.00	0.00	0.00	0.00
3070 OTHER INCOME	<u>5,000.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>5,000.00</u>
TOTAL REVENUES	1,673,000.00	176,024.83	313,737.16	18.75	1,359,262.84
	=====	=====	=====	=====	=====

AS OF: NOVEMBER 30TH, 2020

85 -DEVELOPMENT CORPORATION

16.67% OF FISCAL YEAR

EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	YEAR-TO-DATE ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>DEVELOPMENT CORP</u>					
5400-40650 TRAVEL AND TRAINING	13,055.00	0.00	0.00	0.00	13,055.00
5400-40750 OFFICE SUPPLIES	0.00	1,399.98	1,399.98	0.00 (1,399.98)
5400-40800 POSTAGE	0.00	0.00	0.00	0.00	0.00
5400-41650 PERIODICALS AND MEMBERSHIPS	18,000.00	450.00	9,450.00	52.50	8,550.00
5400-42250 CONTRACTED SERVICES	176,508.00	17,379.08	17,774.08	10.07	158,733.92
5400-42500 ADVERTISING	110,479.00	5,816.26	22,616.26	20.47	87,862.74
5400-42850 MISCELLANEOUS EXPENSE	22,540.00	0.00	0.00	0.00	22,540.00
5400-42900 CAPITAL OUTLAY	50,000.00	0.00	0.00	0.00	50,000.00
5400-43000 BOND REDEMPTION	0.00	0.00	0.00	0.00	0.00
5400-43050 INTEREST EXPENSE	0.00	0.00	0.00	0.00	0.00
5400-43100 AGENCY FEES	0.00	0.00	0.00	0.00	0.00
5400-43150 TRANSER TO OTHER FUNDS	253,988.00	0.00	0.00	0.00	253,988.00
5400-43400 CITY OF RICHMOND REIMB ALLOC	648,056.00	0.00	0.00	0.00	648,056.00
5400-43500 RICHMOND HISTORIC DISTRICT	50,000.00	8,900.00	8,900.00	17.80	41,100.00
5400-43505 GATEWAY/WAYFINDING INVESTMENTS	0.00	0.00	0.00	0.00	0.00
5400-43511 PUBLIC TRANSPORTATION	75,000.00	0.00	0.00	0.00	75,000.00
5400-43521 WAYSIDE HORNS	1,072,000.00	0.00	76,105.35	7.10	995,894.65
5400-43525 TX DOT - 359 OVERPASS	0.00	0.00	0.00	0.00	0.00
5400-43530 TSTC COMMITMENT	100,000.00	0.00	100,000.00	100.00	0.00
5400-43535 LAMAR STREET EXTENSION	0.00	0.00	0.00	0.00	0.00
5400-43536 N. 10TH ST ROW ACQUISITION	300,000.00	0.00	0.00	0.00	300,000.00
5400-43537 WESSENDORFF PARK	0.00	0.00	0.00	0.00	0.00
5400-43538 DOWNTOWN IMPROVEMENT GRANT	75,000.00	0.00	0.00	0.00	75,000.00
5400-43539 2ND ST FARMERS MARKET PAVILION	0.00	0.00	0.00	0.00	0.00
5400-43540 DOWNTOWN DRAINAGE IMPROVEMENTS	0.00	0.00	0.00	0.00	0.00
5400-43541 WATER TOWER LIGHTING PROJECT	0.00	0.00	0.00	0.00	0.00
5400-43542 MYRTLE STREET PROJECT	351,420.00	2,872.36	2,872.36	0.82	348,547.64
5400-43543 SIGNAGE GRANT PROJECT	25,000.00	0.00	0.00	0.00	25,000.00
5400-44251 SALES TAX INCENTIVE AGREEMENTS	130,000.00	0.00	130,000.00	100.00	0.00
TOTAL DEVELOPMENT CORP	3,471,046.00	36,817.68	369,118.03	10.63	3,101,927.97
	=====	=====	=====	=====	=====
TOTAL EXPENDITURES	3,471,046.00	36,817.68	369,118.03	10.63	3,101,927.97

*** END OF REPORT ***

Development Corporation of Richmond
 Capital Project Detail
 as of October 31, 2020

	Project Budget	FY2018 Expenditures	FY2019 Expenditures	FY2020 Expenditures	FY2021 Expenditures	Total Project Expenditures	Project Balance
Wayside Horns Phase II	\$ 1,100,000.00	\$ -	\$ -	\$ 37,472.42	\$ 76,105.35	\$ 113,577.77	\$ 986,422.23
N. 10th St. ROW (Thompson)	\$ 300,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 300,000.00
Downtown Improvement Grant	\$ 75,000.00	\$ -	\$ -	\$ 25,000.00	\$ -	\$ 25,000.00	\$ 50,000.00
2nd St Farmers Market Pavilion	\$ -	\$ -	\$ -	\$ 2,500.00	\$ -	\$ 2,500.00	\$ (2,500.00)
Water Tower/Bridge Lighting Project	\$ 45,000.00	\$ -	\$ -	\$ 31,036.80	\$ -	\$ 31,036.80	\$ 13,963.20
Myrtle Street Renovation	\$ 357,420.00	\$ -	\$ -	\$ 90,819.16	\$ 2,872.36	\$ 93,691.52	\$ 263,728.48
Signage Grant Program	\$ 25,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,000.00
	<u>\$ 1,902,420.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 186,828.38</u>	<u>\$ 78,977.71</u>	<u>\$ 265,806.09</u>	<u>\$ 1,636,613.91</u>

DEVELOPMENT CORPORATION OF RICHMOND

SALES TAX REVENUE

GROSS (Includes City & SPAs)		DCR ALLOCATION <i>Actual Income</i>		DCR BUDGET <i>Budgeted Income</i>		Year-to-Date Target to Budget
Total Received	Prior Year % Increase (Decrease) Month to Month	Monthly	Total Received Year-to-Date	Monthly	Total Budget Year-to-Date	

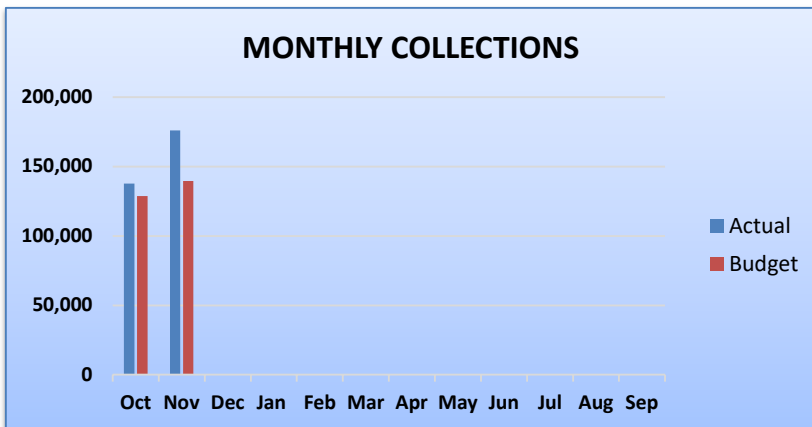
100% = Budget

Fiscal Year 2019-2020

Oct	543,165	6%	123,269	123,269	107,057	107,057	115.14%
Nov	631,586	20%	146,573	269,842	125,944	233,001	115.81%
Dec	624,289	10%	144,265	414,107	130,004	363,005	114.08%
Jan	533,734	20%	121,831	535,938	110,329	473,334	113.23%
Feb	710,813	14%	165,191	701,129	131,644	604,978	115.89%
Mar	536,909	16%	123,108	824,237	115,128	720,106	114.46%
Apr	551,969	5%	125,909	950,147	113,972	834,078	113.92%
May	643,006	11%	146,936	1,097,083	139,819	973,897	112.65%
Jun	571,790	-3%	130,780	1,227,863	137,767	1,111,664	110.45%
Jul	581,742	11%	130,921	1,358,784	123,964	1,235,628	109.97%
Aug	707,921	20%	162,091	1,520,875	135,334	1,370,962	110.93%
Sep	599,259	5%	138,036	1,658,911	138,537	1,509,499	109.90%

Fiscal Year 2021

Oct	605,058	11%	137,667	137,667	128,712	128,712	106.96%
Nov	761,170	21%	175,982	313,649	139,542	268,254	116.92%
Dec	0		0		136,615	404,869	
Jan	0		0		126,394	531,263	
Feb	0		0		163,136	694,399	
Mar	0		0		118,084	812,483	
Apr	0		0		133,946	946,429	
May	0		0		147,762	1,094,191	
Jun	0		0		135,815	1,230,006	
Jul	0		0		135,173	1,365,179	
Aug	0		0		157,655	1,522,834	
Sep	0		0		142,166	1,665,000	



A Charming Past. A Soaring Future.

**WELCOME
TO**
Historic
RICHMOND



CITY OF RICHMOND, TEXAS
Monthly Sales Tax Analysis

For the period ending
November 30, 2020

FY2021

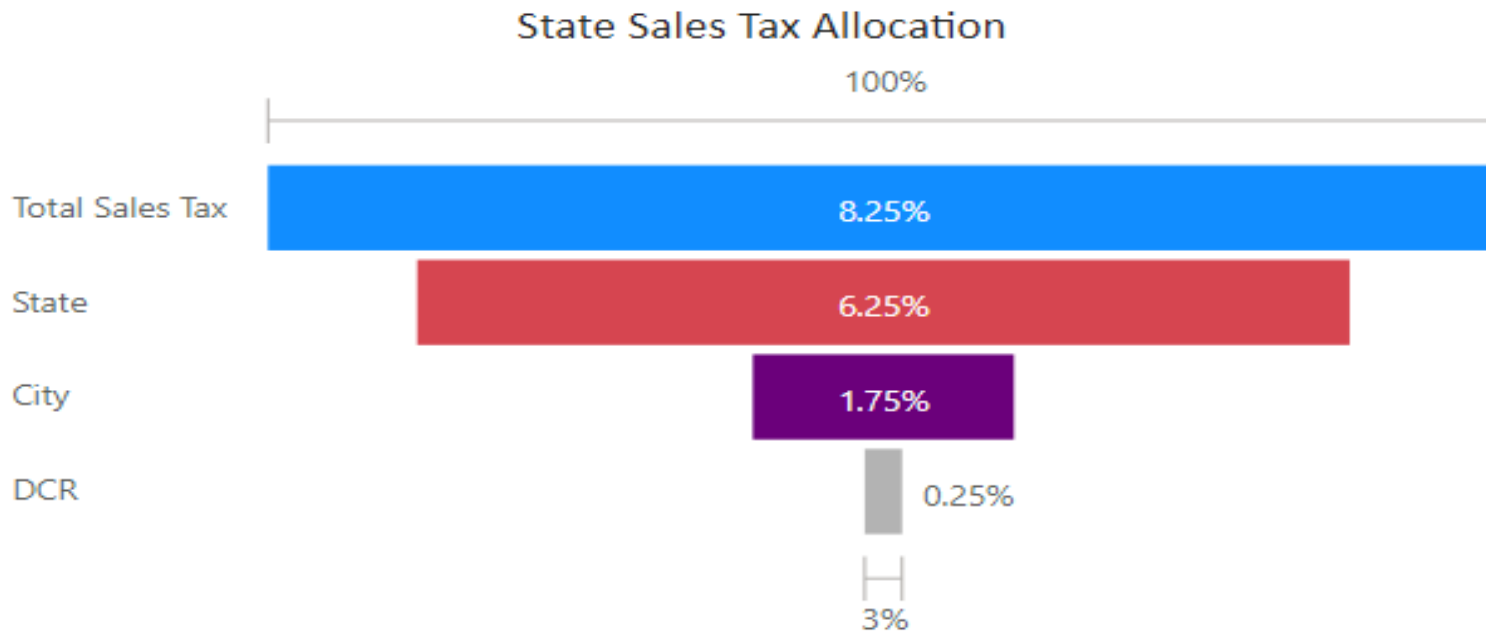
Sales Tax Analysis

Executive Summary

Sales tax is one of the most important revenue streams for the City, but it's also highly volatile and subject to risk. This analysis is intended to highlight the City's sales tax collections in comparison to its expected performance, which is the amount of revenue received compared to the budget.

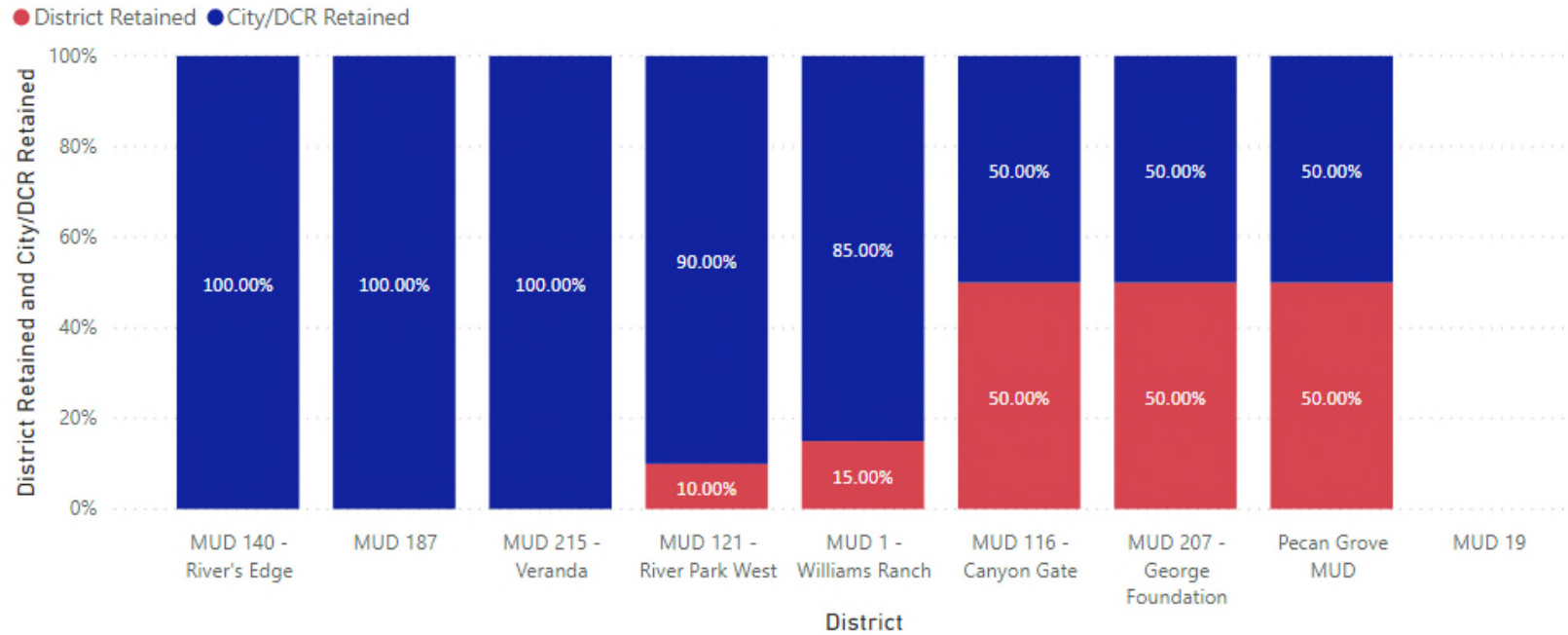
In Texas, the State Comptroller's Office receives sales tax two months before it is remitted to the City, as a result there is a two-month timing difference between the State collection of revenue and the revenue sent to the City. This report covers sales tax payments received by the City from the Texas Comptroller's Office in the month of **November**, which reflects sales tax collections for the month of **September**.

The total sales tax rate within Richmond is 8.25%, of that total, 6.25% is collected and retained by the Texas Comptroller's office, and the remaining 2% is remitted to the City. Consistent with the comprehensive master plan, the City has entered into several strategic partnership agreements (SPAs) that allow for limited purpose annexation and the collection of sales tax within certain municipal utility districts (MUDs). While the City receives 100% of the sales tax collected within the City, these strategic partnership agreements provide for, in most cases, some sharing of the sales tax revenue (between the City and MUDs). As a result of these agreements, after the City remits the MUDs proportional share of its sales tax, the City then remits 25% of the remaining sales tax to the Development Corporation and retains 75% in the General Fund.



Sales Tax Analysis

District Sales Tax Allocation



Key Statistics

Net Sales Tax Payment

- November Collection:
 - Total Net Collections: \$761,170
 - One-Time Positive Audit Adjustment: \$22,629.65
 - Outlook: Positive

City Sales Tax

- November Collection:
 - Total Net Collections are \$527,947
- November Compared to Budget:
 - Current month: 16.66%
 - Average Year to date: 8.15%

Sales Tax Analysis

Summary of Performance

Quarter Label	Net Payment	SPA Collections	City Retained SPA	Gross City Collections	MUD Expense SPA	City Retained	Budget Amount	DCR Retained
Q1								
1 - October	605,058	113,297	58,907	467,391	-54,390	413,000	417,444	137,667
2 - November	761,170	118,749	61,508	585,188	-57,240	527,947	452,569	175,982
Total	1,366,228	232,046	120,415	1,052,578	-111,631	940,948	870,012	313,649
Total	1,366,228	232,046	120,415	1,052,578	-111,631	940,948	870,012	313,649

City Sales Tax

Quarter Label	Prior Year Net Payment	Net Payment	YoY Net % Chg	Prior Year City Retained	City Retained	YoY City % Chg	Budget Amount	Actual / Budget (\$)	Actual / Budget (%)
Q1									
1 - October	543,165	605,058	11.39%	369,807	413,000	11.68%	417,444	-4,443	-1.06%
2 - November	631,586	761,170	20.52%	439,720	527,947	20.06%	452,569	75,379	16.66%
Total	1,174,751	1,366,228	16.30%	809,527	940,948	16.23%	870,012	70,935	8.15%
Total	1,174,751	1,366,228	16.30%	809,527	940,948	16.23%	870,012	70,935	8.15%

DCR Sales Tax

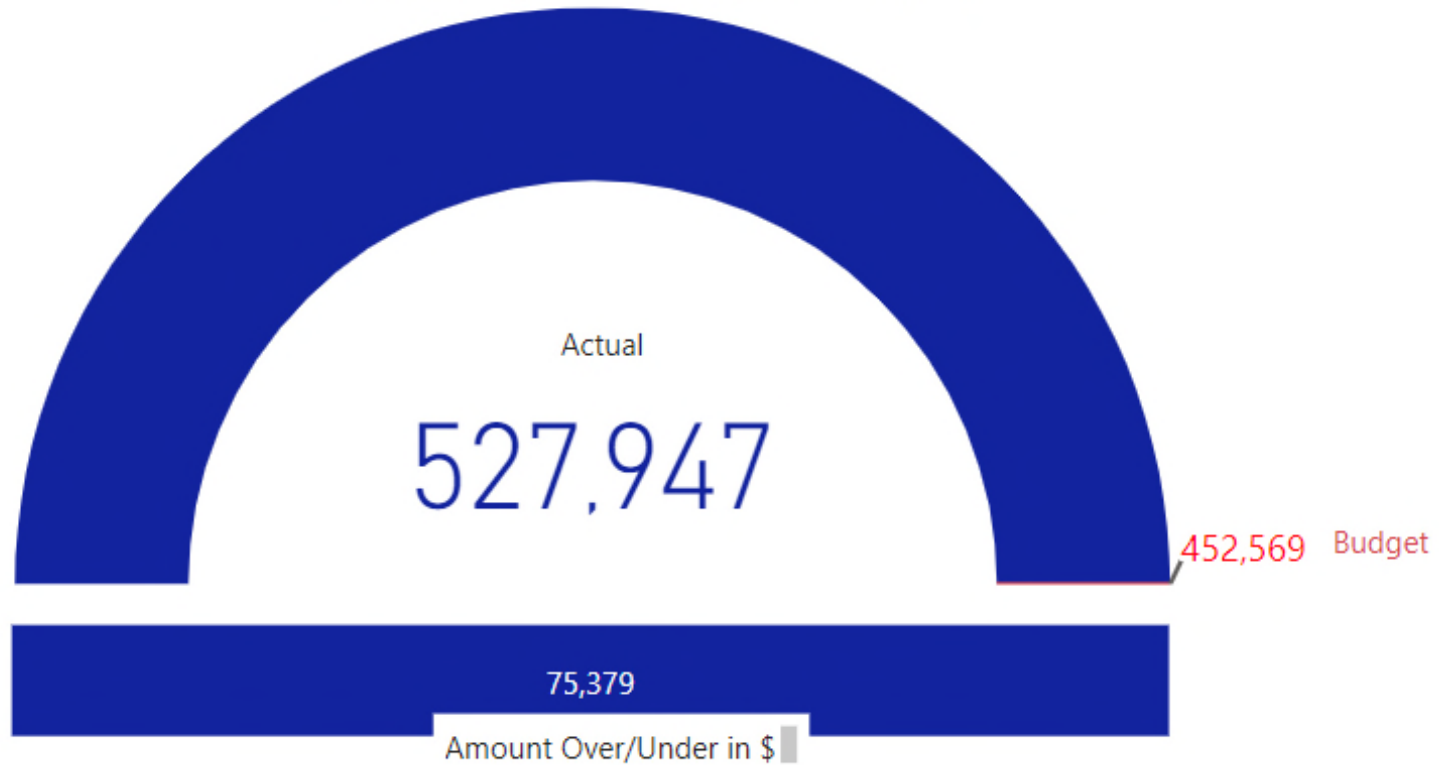
Quarter Label	Prior Year Net Payment	Net Payment	YoY Net % Chg	DCR Prior Retained	DCR Retained	YoY DCR % Chg	DCR Budget	DCR Act/Bud (\$)	DCR Act/Bud (%)
Q1									
1 - October	543,165	605,058	11.39%	123,269	137,667	11.68%	128,712	8,955	6.50%
2 - November	631,586	761,170	20.52%	146,573	175,982	20.06%	139,542	36,440	20.71%
Total	1,174,751	1,366,228	16.30%	269,842	313,649	16.23%	268,254	45,395	14.47%
Total	1,174,751	1,366,228	16.30%	269,842	313,649	16.23%	268,254	45,395	14.47%

Sales Tax Analysis

City Current Month at a Glance

The graphs below indicate that City sales tax collections are \$527,947 in November, compared to the budget allocation of \$452,569. The total collections are over budget by \$75,379, which is 16.66% higher than expected. This month a one-time positive audit adjustment in the amount \$22,629 was received.

Actual/Budget Sales Tax Performance



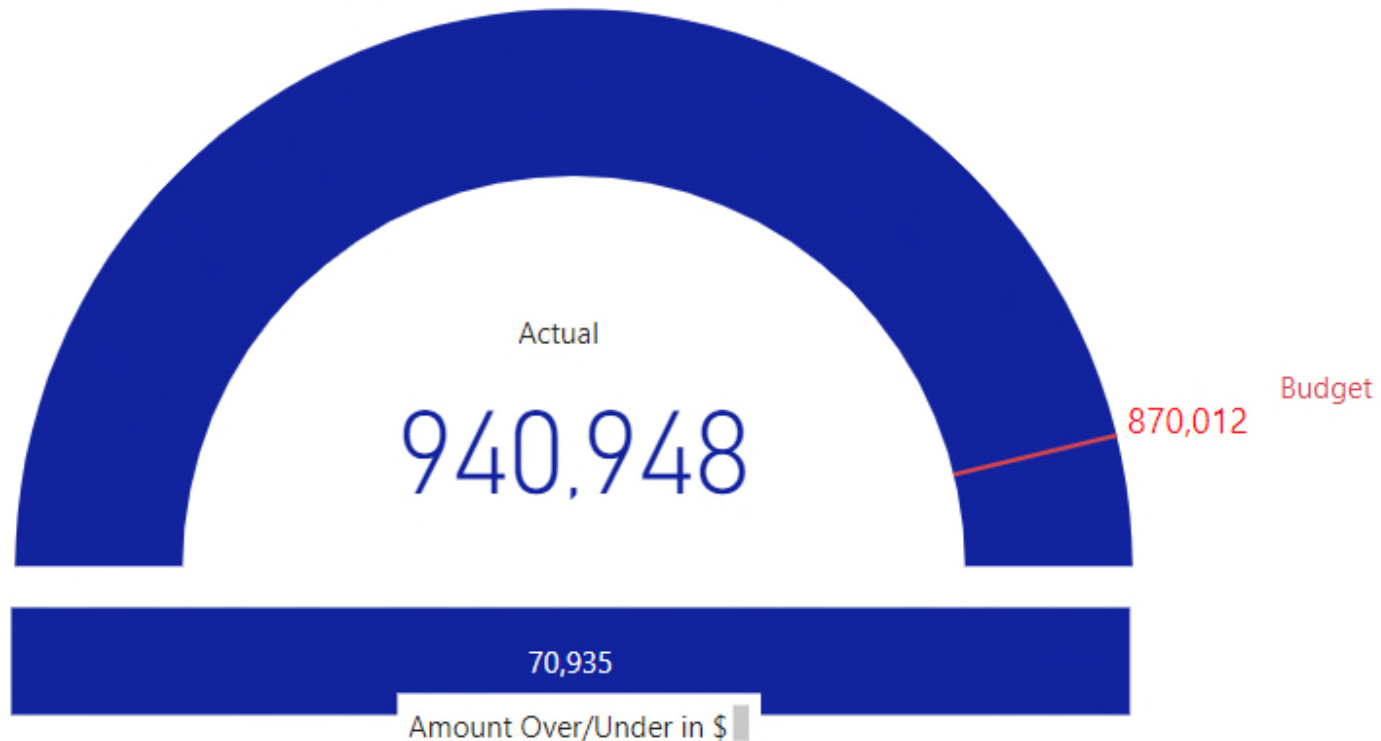
Sales Tax Analysis

City Year-to-Date at a Glance

The graphs below indicate that total sales tax collections are \$940,948 for the fiscal year, compared to the budgeted sales tax of \$870,012. November is the second month in the 2021 fiscal year, therefore collections will continue to increase with the passing of each subsequent month.

The City will accumulate and monitor any excess sales tax revenue and will recognize any actual gains at the end of the year, once all revenues have been received. This approach helps minimize the month to month volatility of collections.

Actual/Budget Sales Tax Performance



Sales Tax Analysis

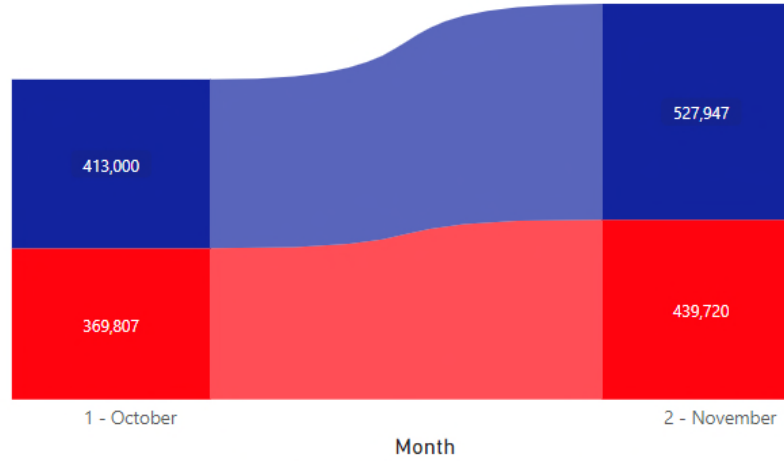
City Historical Performance

YOY Sales Tax Performance

● Prior Year City Retained ● City Retained

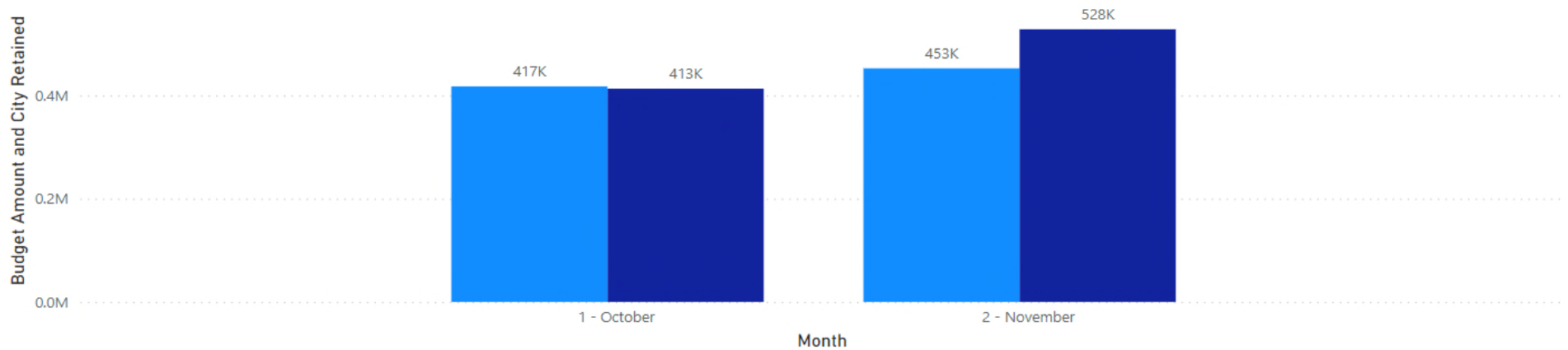
10/1/2020

11/1/2020



Actual/Budget Sales Tax Performance

● Budget Amount ● City Retained

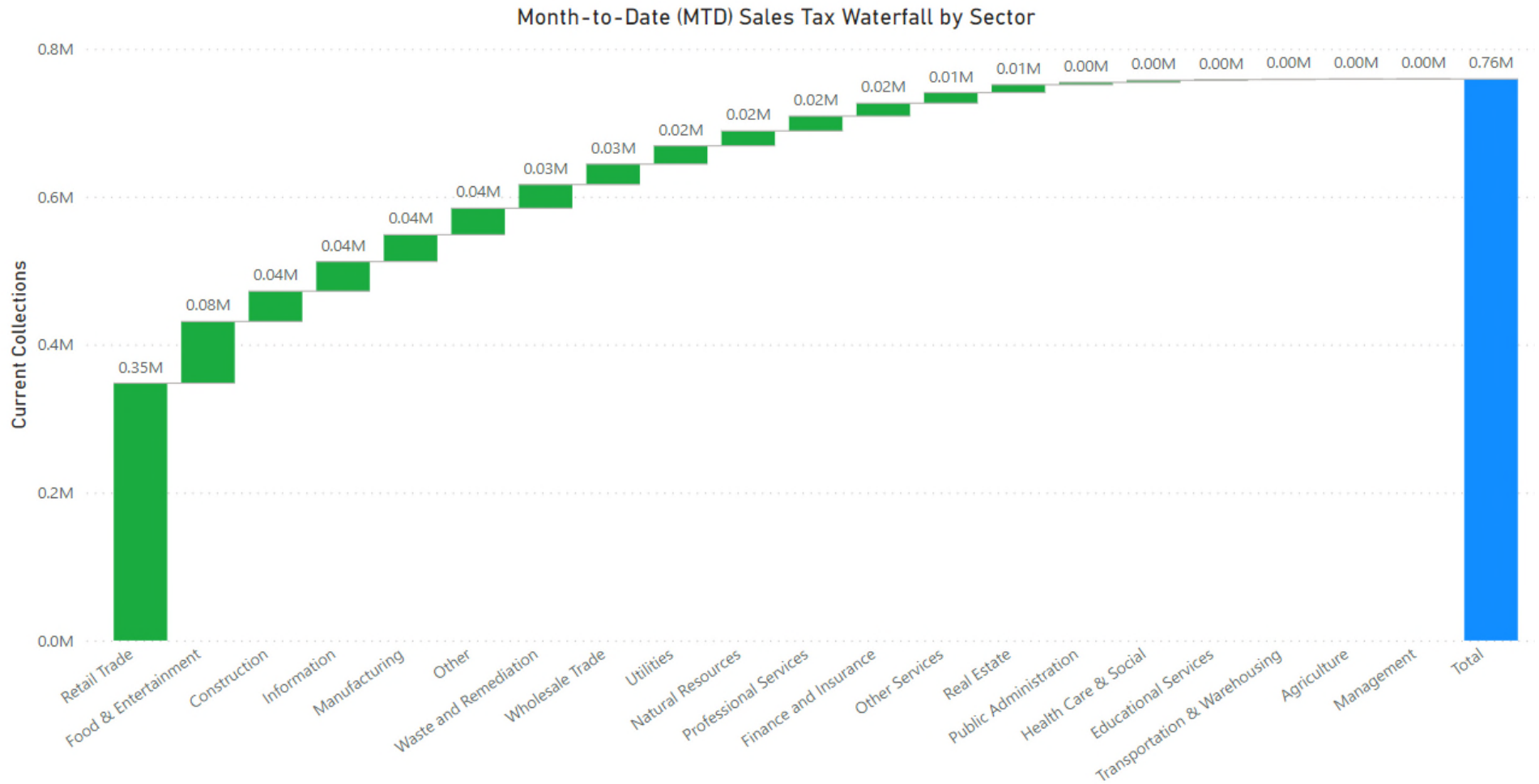


Sales Tax Analysis

Monthly Payment Allocation by Sector

This chart shows the makeup of this month's net payment by sector.

For a monthly comparison to last year by sector, please see the written analysis below the chart.



Monthly Analysis Compared to Prior Year

The Retail Trade and Food & Entertainment Sectors are the primary industry sectors for the City and combined make up approximately 55% of the total collections. The sectors described in this analysis below make-up approximately 90% of the total collections for the City.

Retail: The Retail sector increased by 25.23% when compared to the same period in the prior year. The increase is the result of timing and better performance year-over-year in the Furniture and Non-store subsectors.

Food & Entertainment: The Food & Entertainment sector increased by 19.08% when compared to the same period in the prior year, primarily caused by a negative adjustment in the prior year. Additionally, restaurants had better year over year performance in general, which tends to indicate some improvement since the COVID 19 pandemic began.

Information: The Information sector decreased by 20.84% when compared to the same period in the prior year. The decrease is primarily in Telecommunications and Broadcasting subsectors. The Telecommunications subsector averaged 48% lower than the prior year's collections for most major telecommunication companies.

Natural Resources: The Natural Resources sector decreased by 39.05% when compared to the same period in the prior year. The decrease in this sector is the result of an industry closely tied to Construction. Collections in this sector should be treated as one-time collections due to the volatility of the subsectors' collections.

Professional Services: The Professional Services sector decreased by -35.22% when compared to the same period in the prior year. The decrease in collections is related to services businesses in the cybersecurity space.

Utilities: The Utility sector decreased by 15.92% when compared to the same period in the prior year. The decrease in this sector is tied to a remittance adjustment by a major retail electric provider.

Wholesale Trade: The Wholesale Trade sector decreased 3.10% when compared to the same period in the prior year. The decrease in this sector is tied to the Non-Durable Goods subsector.

Waste & Remediation: The Waste & Remediation sector increased by 24.10% when compared to the same period in the prior year. The increase in collections occurred primarily in the Administrative and Support Services subsector.

Manufacturing: The Manufacturing sector increased by 92.59% when compared to the same period in the prior year. The increase in collections occurred primarily in the Machinery subsectors.

Other: The Other sector increased by 330% when compared to the same period in the prior year. The increase in collections appears to be the result of increased internet sales, and facilities related equipment.

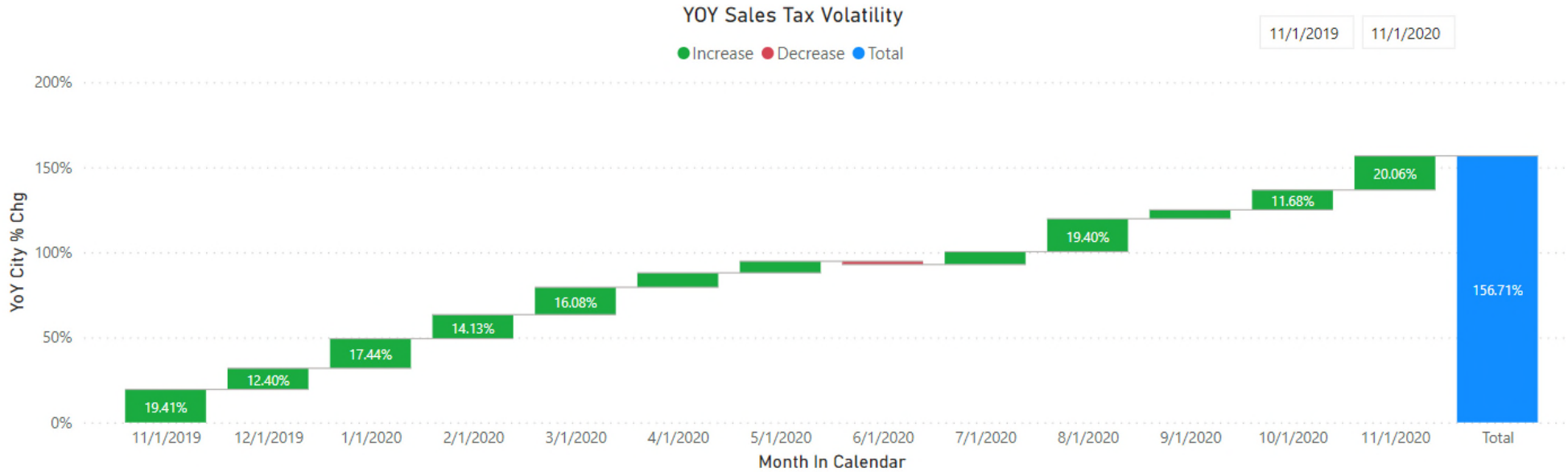
Sales Tax Analysis

* The collections by sector information is directly from the Confidentiality Report received from the Texas Comptroller's Office. The numbers reflected in the Confidentiality Report are unadjusted and will not match the Net Collections that the Comptroller publishes. The Net Collections published publicly include all tax payers, whereas the Confidentiality Report only includes tax payers that annually remit more than \$5,000, and does not include the other adjustments made to the Net Allocation. In order to remain confidential only the aggregate data by sector, and subsector can be reported.

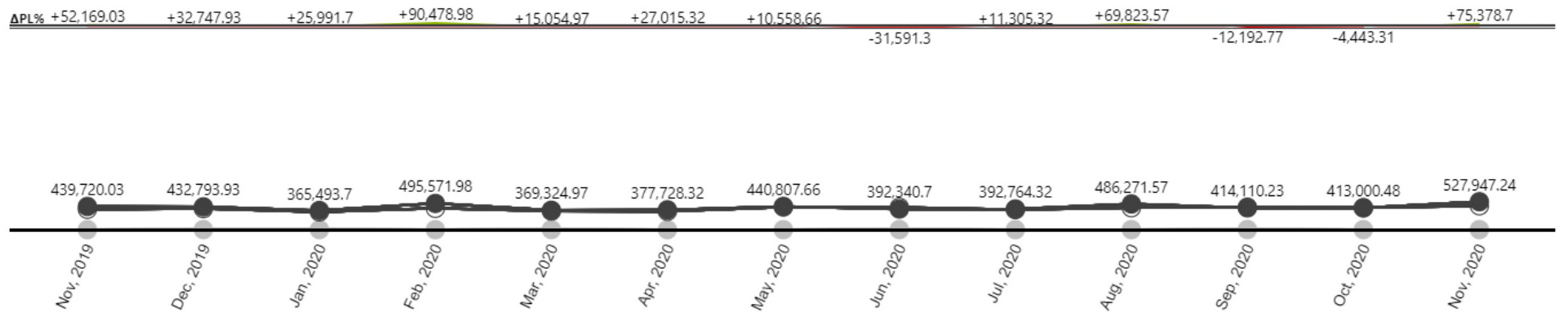
THE INFORMATION PROVIDED TO THE CITY IS CONFIDENTIAL. It is not open to public inspection. A city may use the information only for the purpose of economic forecasting (Tex. Tax Code 321.3022(c)). Unauthorized distribution of confidential information is punishable by 6 months in jail and a \$1,000 fine (Tex. Govt Code sec. 552.352). As a result staff cannot answer specific questions about companies included within the aggregate sales tax number in this report.

Sales Tax Analysis

Monthly Sales Tax Volatility



Actual/Budget Sales Tax Volatility

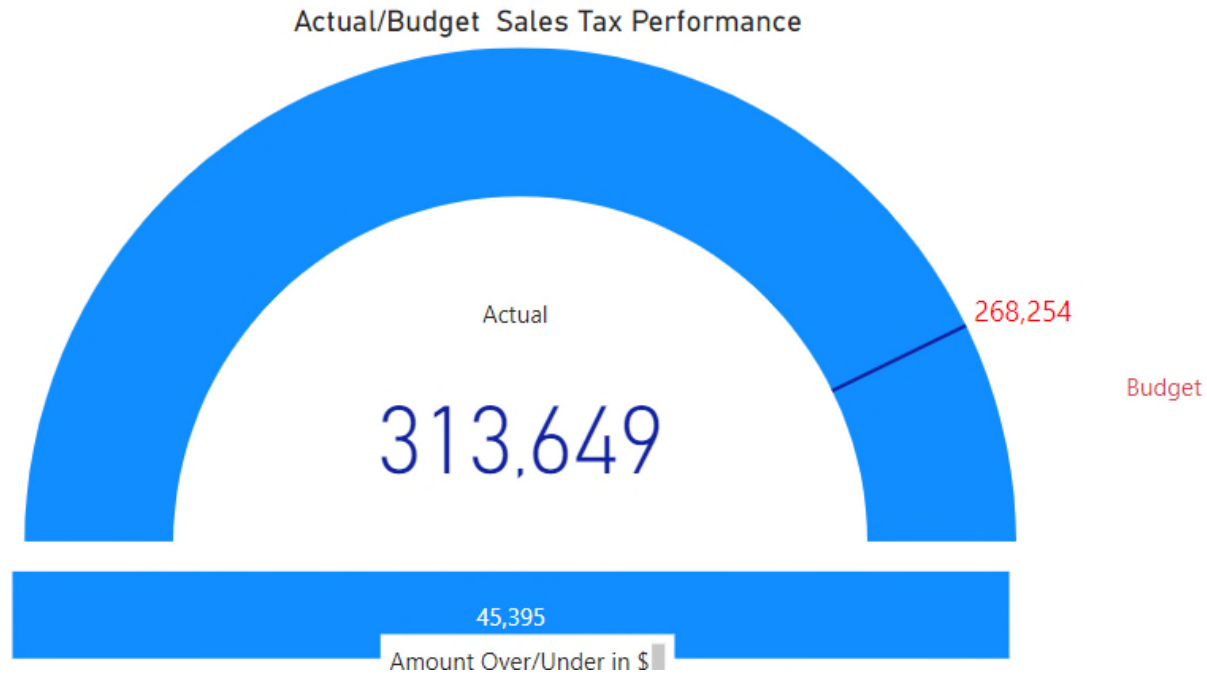


The City budgets sales tax on a conservative basis because collections are extremely volatile in nature. The graph above highlights the monthly volatility in sales tax.

Sales Tax Analysis

Development Corporation Sales Tax

- **Year-to-Date thru November Collection:**
 - Total collections are \$313,649
- **November Compared to Budget:**
 - Current month: Up 20.71%
 - Average Year to date: 14.47%
- **Year-over-Year Sales Tax Performance:**
 - Current month: Up 20.06%
 - Year to date: Up 16.23%



Sales Tax Analysis

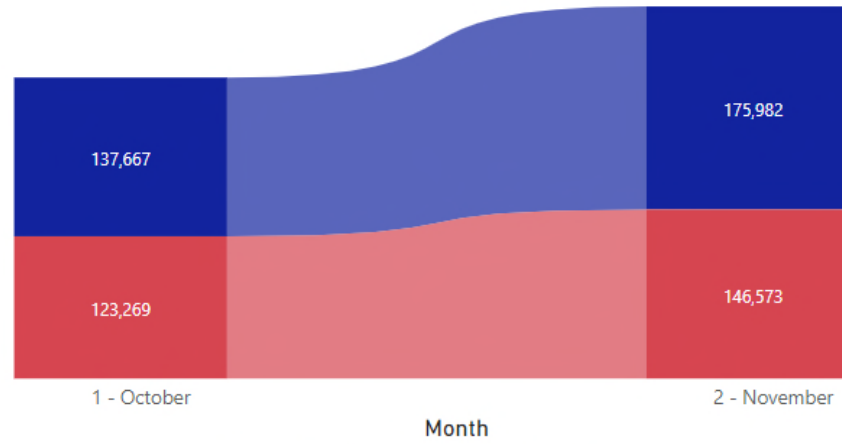
YOY Sales Tax Performance

DateKey

10/1/2020

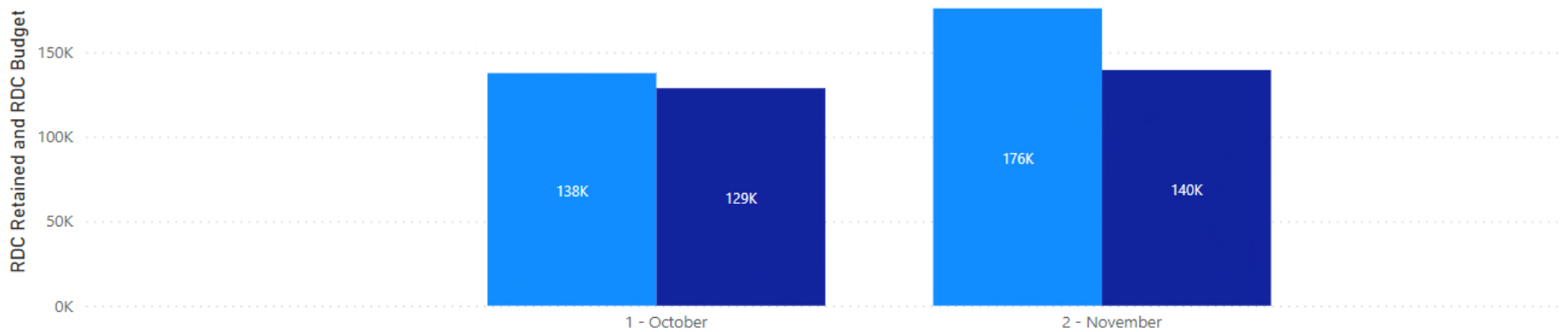
11/1/2020

● DCR Retained ● DCR Prior Retained



Actual/Budget Sales Tax Performance

● RDC Retained ● RDC Budget



Sales Tax Background

Sales tax is an important but volatile revenue stream for the City, and it is closely monitored and analyzed.

Understanding how the City develops the sales tax forecast is an important part of this publication. This year the sales tax forecast utilized a conservative approach of an approximate 3% increase from the previous budget to maintain modest fiscal expectations.

Once developed, the sales tax budget is distributed across the months based on the percentage of collections that month would historically receive. It's important to understand that there are factors that can cause peaks and valleys in this distribution. These peaks and valleys are a result of the timing of the collection (i.e. when the business makes payment), the receipt of one-time collections, and audit adjustments, which can increase or decrease the actual collection. It is this volatility of the collections that make the comparison on a monthly basis a challenge. While sustained high or low monthly collections may signal a change in the trend, the individual monthly comparison will not provide a complete picture, thus greater attention should be paid to the year-to-date collections and budget.



RICHMOND

DEVELOPMENT CORPORATION OF RICHMOND

December 8, 2020 Board Meeting

6. Consider and take action on recommendations for future agenda items.



RICHMOND

DEVELOPMENT CORPORATION OF RICHMOND

December 8, 2020 Board Meeting

7. Adjournment.