



KILGORE

★ T E X A S ★

ECONOMIC DEVELOPMENT CORPORATION

Report FYE 2021

FY 2020-2021 Kilgore EDC Year-End Report

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FY 2020-2021 Kilgore EDC Year-End Report

About this report

The Kilgore Economic Development Corp.'s 2021 Fiscal Year End Report is a snapshot of the internal workings and results of the organization over the past fiscal year. The following document includes:

- ★ Summary of Accomplishments and Activities.
- ★ Accomplishments of companies with KEDC agreements.
- ★ Trend analysis and details.
- ★ The 2017-2022 Strategic Map and FYE 2021 Program of Work results.
- ★ Credentials.
- ★ End of year financials (unaudited).

Board of Directors



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Vice-President

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Director

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About Kilgore EDC

During the past five years, KEDC staff has closed 22 projects representing a total of more than \$192 million in new and retained capital investment and 2,600 jobs under contract. KEDC is an organization founded in 1990 and funded by a dedicated sales tax approved by voters. It is directed by a five-person board and managed by a staff of four. KEDC has won awards for excellence in economic development, including the Texas Community Economic Development Award in years 2001, 2007, 2015, and 2019 and the International Community Economic Development Award in 2020.

Summary of Accomplishments and Activities

At each year's end, KEDC reflects on its Strategic Plan as a whole as well as the Mission and Vision Statements to determine how its accomplishments and activities are moving the organization forward. Below is a summary of accomplishments for fiscal year 2020-2021, which was another uncertain year. The global pandemic created uncertainty that slowed deal closure, but created heightened activity and deal size as employers evaluated growth and location options. **Items of note this fiscal year include: 1.) The number of leads generated exceed prior years by 37 percent; 2.) Results this fiscal year exceeded prior years; 3.) Recipients of the Kilgore Cares Program, which directly impacted the retention of nine primary employers representing \$104 million in investment and 1,059 jobs, were all compliant in those agreements, indicating a stable existing industry base.**

KEDC Mission Statement

*To enhance a business climate that is conducive to **job creation and retention**,
improving the standard of living for Kilgore residents.*

Job creation and retention: Through three new KEDC Economic Development Performance Agreements, companies projected to create 23 new jobs and retain 732 for a total of 755 jobs, exceeding both three- and five-year averages.



755

KEDC Vision Statement

*A **diverse** economy that attracts and retains **high impact projects** and quality jobs.*

Industry Diversity: Of the 14 active agreements during 2020-2021, only five companies with seven agreements were related to the energy sector, which is well below the level of 47 percent recorded in 2013.



36%

Projects: Three companies signed economic development agreements. One of the agreements is a retention contract and two are expansion contracts.



3

Impact: Companies under new Economic Development Performance Agreements are projecting new investment of \$14,017,000 with an additional \$36,063,000 under retention agreement for a total of \$50,080,000 under contract, exceeding both three- and five-year averages.



\$50,080,000

Incentives: KEDC performance-based incentives are investments in the growth of Kilgore. These investments are based on the economic impact of each project and are measured by the rate of return and payback period of the investment. Economic impact is determined by a variety of factors, including number of employees, payroll, contribution to ad valorem and sales taxes, type of industry, and length of agreement. Below is the average for the three agreements closed this fiscal year. Average length of an agreement was 4.3 years.

\$

47% ROR

3.2 Years

FY 2020-2021 Kilgore EDC Year-End Report

Accomplishments

The Kilgore Economic Development Corp. board of directors invested in three companies through Economic Development Performance Agreements.

Those companies are retaining 732 jobs and projecting to create 23 new jobs. The total number of jobs under contract exceeds both three- and five-year averages. Companies are projecting to invest more than \$14 million, with \$50,000,000 under contract, also exceeding both three- and five-year averages. The percentage of KEDC incentive to total company investment was 2.1 percent; 7 percent per new investment.

Project Type	Energy Related	Retained Jobs	New Jobs Created	TOTAL Jobs	Retained Company Investment	New Company Investment	TOTAL Investment
E		243	0	243	\$ 36,063,000.00	\$ 2,500,000.00	\$ 38,563,000.00
E		161	23	184	\$ -	\$ 10,700,000.00	\$ 10,700,000.00
R		328	0	328		\$ 817,000.00	\$ 817,000.00
TOTAL	0	732	23	755	\$ 36,063,000.00	\$ 14,017,000.00	\$ 50,080,000.00

The chart below lists the compliance results of the 14 active agreements with KEDC last fiscal year. As a group these companies invested approximately \$11 million more than projected.

EDPA	Year	Term	Agreement	Compliant	Non Compliant	Extended	Delayed	Terminated	Recapture	Energy	Complete
Maverick Well Service #2	2	2	2	1						1	1
Ana-Lab Corporation	1	3	1	1							
Premier Pressure Pumping	4	5	1	1						1	
Southern Plastics #8	2	3	8	1							
McClung Energy Services #1	3	5	1	1						1	
Merritt Preferred Components	2	3	1	1							
Cleveland Steel Container Corp.	2	5	2	1							
Texas Core Energy dba TOCE International	1	5	1	1						1	
WagnerTuning, Inc.	1	10	1	1							
Evolution Outdoor, LLC.	2	10	1	1							
Orgill, Inc.	3	10	3	1							
VW 2							1			1	
VW 3							1			0	
VW 1							1			0	
				11	0	0	3	0	0	5	1
Tax Abatement											
Skeeter Products, Inc.	5	6	1	1							
Orgill, Inc.	2	10	2	1							
WagnerTuning, Inc.	1	10	1	1							

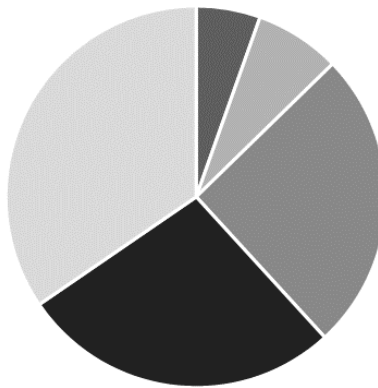
Tax Abatement recipients followed a similar pattern investing \$9 million more than projected and also hiring 37 more people than projected.

Trend Analysis – Lead Development

Lead Development Sources: KEDC monitors the number of leads generated each year as well as lead sources to help determine which marketing efforts are most on target. **KEDC generated 87 leads during the fiscal year, which is a 37 percent increase from the three-year average.**

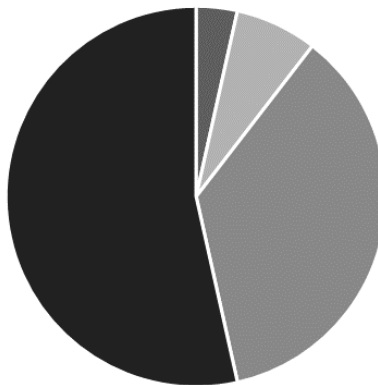
Source of actionable leads generated are illustrated in the chart below with internal marketing activities generating the most at 35 percent. State leads generated 28 percent and direct leads 26 percent. Considering direct, regional and internal leads as direct activities of KEDC, **the organization generated 67 percent of total actionable leads through its own marketing activities.**

Actionable Leads by Source



Lead Types: KEDC also tracks the type of all leads as shown in the chart below. *Without* considering the number of non-actionable state leads this fiscal year, then **attraction leads would represent about 84 percent, just higher than the typical 75 percent.**

All Leads by Type



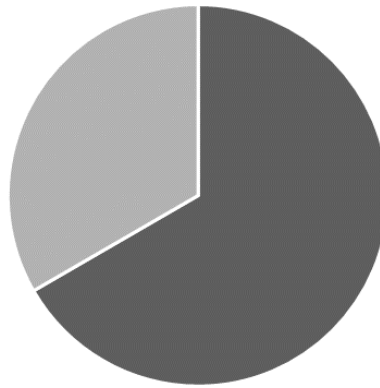
FY 2020-2021 Kilgore EDC Year-End Report

Trend Analysis – Lead Closure

Lead Closure Sources: KEDC monitors the number, source and type of leads closed each year also to help determine which marketing efforts are most on target. Source of leads closed are illustrated in the charts below.

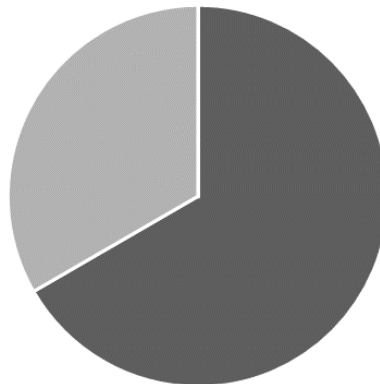
The three EDPAs were initiated by different sources – one from BRE activities, one direct contact, and the third was from a consultant on behalf of an existing employer, which KEDC knew from regional marketing activities.

Lead Closure by Source



Expansion and retention efforts historically initiate the highest number of closed leads as is the case this fiscal year with two expansion and retention project.

Lead Closure by Type



The 2017-2022 Strategic Map

The Strategic Plan for the Kilgore Economic Development has three areas of focus:

1. Business Climate – Development of real estate assets for Kilgore EDC targets.
2. New and Retained Investment and Jobs –Project development and closure.
3. Sustainability – Maintenance of resources to support economic development in Kilgore.

Business Climate	Maintain a relevant inventory of property for primary employers.
New and Retained Investment and Jobs	Generate leads from non-energy related industry sectors.
Sustainability	Protect the financial integrity of the organization.

The Kilgore EDC organizational statements are as follows:

Mission: To enhance a business climate that is conducive to primary job creation and retention, improving the standard of living for Kilgore residents.

Vision: A diverse economy that attracts and retains high impact projects and quality jobs.

Value: We deliver high impact results with outstanding customer service.

FY 2020-2021 Kilgore EDC Year-End Report

Strategic Map for Business Climate

Business Climate	Maintain a relevant inventory of property for primary employers.	FYE 2021
Objective	To be primed to attract investment, we must evaluate gaps in inventory and infrastructure and invest as finances allow, ensuring key sites and buildings are prospect ready.	
Goal	Keep “Cannot Respond” rate to below 20%.	37%
Measurement	Commitments for: <ol style="list-style-type: none"> 1. Asset development. 2. Infrastructure development to benefit primary employers. 	<ol style="list-style-type: none"> 1. \$2,572,363 2. \$ 6,348

Goal: The “Cannot Respond” rate indicates if existing infrastructure and inventory are meeting the needs for new development. The rate this year was 37 percent. This year may be an anomaly with most of those leads originating with the Governor’s Office for Economic Development.

The leading reason KEDC was unable to respond was size-related. The average size of an existing building requested was 185,000 SF and the average site size requested among those leads was 500 acres.

Measurement: Projects this year included the purchase of new asset North Kilgore Industrial Properties. Investment in infrastructure was minimal with a small amount spent for the Elder Lake Rd. rehabilitation project.

Asset	Project	Investment
North Kilgore Industrial Property	Due Diligence	\$ 66,015
North Kilgore Industrial Property	Halliburton Facility	\$ 2,500,000
	Sub Asset Development	\$ 2,566,015
Infrastructure	Project	Investment
Elder Lake Rd.	Roads	\$ 6,348
	Sub Infrastructure Development	\$ 6,348
Other City Projects	Project	Investment
	TOTAL INVESTMENT	\$ 2,572,363

FY 2020-2021 Kilgore EDC Year-End Report

Program of Work for Business Climate

KEDC engaged in the following activities last fiscal year to meet our business climate goals.

2021 Program of Work Business Climate						
Strategy	Activity	Goal	Project	Complete	Remain	Target YE
Infrastructure						
Synergy Park	Utility installation	1	Electricity		1	Y
		1	Fiber/Broadband		1	Y
		1	Natural Gas		1	Y
Inventory						
Synergy Park Phase V	Road Construction	1	Design		1	Y
Industrial Park 2.0	Site Evaluation	1	Evaluate and Compare Sites		1	Y
Spec Building Program	Construction Documents	1	100,000 SF		1	Y
	Promotion	1	Various Channels	1	0	Y
Property Management	Inspections	2	4005 FM 349	2	0	Y
		2	CDL Facility	2	0	Y
		2	4017 Enterprise	2	0	Y
		2	Synergy Park	2	0	Y
		4	Cox Drive	3	1	N
		4	Kilgore Industrial Park	4	0	Y
		4	North Kilgore Industrial Park	4	0	Y
		4	General Dynamics Property	4	0	Y
	Lease renewals	As Needed	4005 FM 349	0		Y
		As Needed	CDL Facility	0		Y
		As Needed	4017 Enterprise	0		Y
		As Needed	General Dynamics Property	0		Y
	Maintenance	As Needed	4005 FM 349	2		Y
	Maintenance	As Needed	CDL Facility	0		Y
	Maintenance	As Needed	4017 Enterprise	6		Y
	Maintenance	As Needed	General Dynamics Property	0		Y
	Room Rentals	As Needed	Synergy Center	13		Y
Property Identification	Activity	As Needed	Available Industrial Space	8		Y

FY 2020-2021 Kilgore EDC Year-End Report

Strategic Map for Jobs and Investment

New and Retained Investment and Jobs	Generate leads from non-energy related industry sectors.	FYE 2021
Objective	To attract and retain high impact projects with quality jobs from targeted industries we must engage in both inbound and outbound marketing and BRE programs.	
Goal	Close projects with an average ROR of 10% or more and a payback period of 10 years or less.	47% 3.2 Year
Measurement	From targeted industry sectors: <ol style="list-style-type: none"> 3. Number of leads generated from targeted industry sectors. 4. Number of closed projects. 5. Number of jobs under contract. 6. Amount of investment under contract. 	<ol style="list-style-type: none"> 3. 93% 4. 3 5. 755 6. \$50,080,000

Goal: It is the goal of the KEDC board of directors to close projects in a fiscally responsible manner and with the goals of a 10 percent rate of return or better and a payback period of 10 years or less. This fiscal year the rate of return on all three projects averaged 47 percent. The payback period of all agreements averaged 3.2 years.

Measurement: All closed projects start with a lead and end with projections of capital investment dollars retained or created along with retained and/or created jobs. This fiscal year KEDC produced 87 leads and closed a total of three projects.

The three agreements project retention of 732 jobs, creation of 23 jobs, retained investment of \$36,063,000 and new investment of \$14,107,000.

FY 2020-2021 Kilgore EDC Year-End Report

Program of Work Strategies for Jobs and Investment

KEDC identified 87 leads from companies and lead-generating agents through the following activities.

2021 Program of Work Jobs and Investment						
Strategy	Activity	Goal	Project	Complete	Remain	Target YE
Lead Development						
Retained and Expanded Industries	Key Account Management	13		13	0	Y
	Contact Maintenance	45		72	-27	Y
	Industry Survey	30	General	0	30	Y
		3	Pulse	7	-4	Y
New Industries	Geographic Recruitment	3	NETEA	2	1	Y
		1	Team Texas	0	1	Y
		1	TBIC	0	1	Y
		1	Internal	0	1	Y
	Trade Shows	2	Right Corner	2	0	Y
		1	Team Texas	0	1	Y
		1	TBIC	0	1	Y
		6	SLP	7	-1	Y
		3	Internal	1	2	Y
		10	Lead Generation Initiative	12	-2	Y
Lead Generating Agents	Site Selectors	1	SEDC	1	0	Y
		1	Team Texas	0	1	Y
	Office of the Governor	1	NETEA	0	1	Y
		1	Go Big in Texas	0	1	Y
	Industrial Realtors	2	I-20 Corridor	1	1	Y
		1	IAMC	1	0	Y
	Lead Nurturing	12	Pipeline Management	12	0	Y
Branding						
Collateral Materials	Videos	1	Testimonials	0	1	Y
	Photos	As Needed		1		Y
	Profile	1	Brochure	0	1	Y
		1	Digital Presentation	0	1	Y
	Promotional Items	As Needed		3		Y
Online Presence	Website Update	1	New	1	0	Y
	Directories	2	Site Selection Publications	2	0	Y
	Available Properties	60	Entry and Verification	50	10	N
Workforce Development						
	HR Luncheons	4	Lunch & Learn	2	2	Y
Kilgore ISD	KISD Teacher Facility Tours	4	Annually	0	4	Y
	Career Events	1	Middle School Career Fair	0	1	Y
Kilgore College	Advisory Boards/Committees	3	Representation	3	0	Y
WorkKeys	Testing	75	Students	0	75	Y
	Assessments	1	Industry	0	1	Y
Small Business Development						
				0		
Pipeline Management	Advice and Referrals	As Needed		3		Y
	Business Information Center	1	SizeUp Tool	1	0	Y
	Promotion	1	Website Link, Various	1	0	Y

*Interactions with existing industry looked a little different this fiscal year and included conversations through means other than a personal site visit, including surveys and extended phone calls.

**Prospecting for an active lead pipeline resumed some normalcy, but KEDC also relied on lead nurturing and online meetings as a way to supplement those activities.

FY 2020-2021 Kilgore EDC Year-End Report

Strategic Map for Sustainability

Sustainability	Protect the financial integrity of the organization.	2021
Objective	To impact economic outcomes in Kilgore we must seek and provide opportunities to collaborate with economic development partners.	
Goal	Maintain Kilgore Economic Development Corp. as a relevant and financially viable organization.	
Measurement	<ul style="list-style-type: none"> 7. Meet budget. 8. Maintain positive cash flow. 	<ul style="list-style-type: none"> 7. FYE 2022 budget has been set at \$2.25 million. 8. Even when considering potential cash outlay and potential projects, cash flow is projected to be positive over the next 10 years.

Goal and Measurement: KEDC is a fiscally responsible organization and finished the fiscal year with a positive cash flow for the next 10 years.

Credentials

The greatest credential of all is an organization's success. Over time KEDC has aggressively pursued new investment and jobs for the community and has produced results. Our statement of success lends a credential that is impressive and resonates with our prospects and others. As a result of the organization's activities and results, KEDC has amassed award credentials for that outstanding work in economic development. KEDC has won international awards for excellence in economic development from the International Economic Development Council and Business Retention and Expansion International. The Texas Economic Development Council has recognized KEDC with an Excellent rating every year since the recognition began in 2010. TEDC has awarded the Community Economic Development Award to KEDC in years 2001, 2007, 2015, and 2019. International awarded its first Community Economic Development Award to KEDC in 2020.



2020

International Economic Development Council

Announced Kilgore as the recipient of the Community of the Year Award for communities with less than 25,000 population. Awards are judged by a diverse panel of economic and community developers from around the world, following a nomination process held earlier this year. IEDC received over 500 submissions from 4 countries.

(IEDC is the national/international professional group for economic development.)



2019
2015
2007
2001

Texas Economic Development Council

The Community Economic Development Award

This program recognizes exceptional contributions of TEDC member cities toward the economic vitality of their communities and the state of Texas through creativity, leadership, and partnership in the achievement of business attraction, business retention, business recruitment and community improvement.

2019

Texas Economic Development Council

Best in Show Transferability Award

Overall awards are presented for outstanding programs regardless of community size. The award recognizes programs or projects that show potential use by other economic development agencies or practitioners for similar opportunities or solutions in any size community. The criteria for award include that the program or project also should be readily transferable to comparable situations in other communities.

2019
thru
2010

Texas Economic Development Council

Economic Excellence Recognition

The Texas Economic Development Council has recognized KEDC with an Excellent rating every year since the recognition began in 2010. The award in 2019 is for work accomplished in 2018.

2016
2009

Business Retention and Expansion International

Project Impact Award

2014

International Economic Development Council

Video Multi Media Promotion Excellence – Bronze

2011

Southern Economic Development Council

Communications Awards Website Design - Superior

FY 2020-2021 Kilgore EDC Year-End Report

Unaudited Financials

(Profit & Loss Budget vs. Actual October 1, 2020, to September 30, 2019, follows)

Kilgore Economic Development Corp Fund 70
Budget vs. Actual Summary
October 2020 through September 2021 Unaudited

	<u>Oct '20 - Sep 21</u>	<u>Budget</u>	<u>\$ Over/Under Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
5001 · Sales Taxes	1,984,009.25	2,250,000.00	-265,990.75	88.18%
5005 · Garbage Sales Tax	12,610.07	11,254.00	1,356.07	112.05%
5201 · Interest -Austin Bank Operating	2,815.92	4,680.00	-1,864.08	60.17%
5204 · Interest - Texpool Operating	4,250.33	51,900.00	-47,649.67	8.19%
5205 · Interest-TexSTAR Bond Set Aside	804.03	12,000.00	-11,195.97	6.7%
5400 · Lease Revenue	301,768.30	283,533.00	18,235.30	106.43%
5401 · Miscellaneous Income	900.13	1,000.00	-99.87	90.01%
5402 · Incentive Recovery	43,102.56	25,800.00	17,302.56	167.06%
Total Income	<u>2,350,260.59</u>	<u>2,640,167.00</u>	<u>-289,906.41</u>	<u>89.02%</u>
Gross Profit	2,350,260.59	2,640,167.00	-289,906.41	89.02%
Expense				
600 · Supplies Expense	7,604.57	7,800.00	195.43	97.49%
610 · Contractual Services	808,041.91	789,300.00	-18,741.91	102.37%
612 · School Registration & Training	3,739.00	6,640.00	2,901.00	56.31%
614 · Travel Expenses	4,783.57	25,200.00	20,416.43	18.98%
616 · Dues, Fees & Memberships	2,882.00	4,034.00	1,152.00	71.44%
620 · Marketing	130,189.13	225,000.00	94,810.87	57.86%
630 · Business Retention - Expansion	13,098.40	76,102.00	63,003.60	17.21%
640 · Synergy Center Lease Expenses	87,231.87	84,940.00	-2,291.87	102.7%
650 · Buildings & Grounds Maintenance	111,432.06	181,032.00	69,599.94	61.55%
660 · Capital Expenditures	2,573,281.18	415,000.00	-2,158,281.18	620.07%
Total Expense	<u>3,742,283.69</u>	<u>1,815,048.00</u>	<u>-1,927,235.69</u>	<u>206.18%</u>
Net Ordinary Income	-1,392,023.10	825,119.00	2,217,142.10	-168.71%
Other Income/Expense				
Other Expense				
680 · Transfers Out of Operating Fund	825,120.00	825,119.00	-1.00	100.0%
Total Other Expense	<u>825,120.00</u>	<u>825,119.00</u>	<u>-1.00</u>	<u>100.0%</u>
Net Other Income	-825,120.00	-825,119.00	1.00	100.0%
Net Income	<u><u>-2,217,143.10</u></u>	<u><u>0.00</u></u>	<u><u>-2,217,143.10</u></u>	<u><u>100.0%</u></u>

Kilgore Economic Development Corp Fund 70
Budget vs. Actual Detail
October 2020 through September 2021 Unaudited

	<u>Oct '20 - Sep 21</u>	<u>Budget</u>	<u>\$ Over/Under Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
5001 · Sales Taxes	1,984,009.25	2,250,000.00	-265,990.75	88.18%
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5401 · Miscellaneous Income	900.13	1,000.00	-99.87	90.01%
5402 · Incentive Recovery	43,102.56	25,800.00	17,302.56	167.06%
Total Income	<u>2,350,260.59</u>	<u>2,640,167.00</u>	<u>-289,906.41</u>	<u>89.02%</u>
Gross Profit	2,350,260.59	2,640,167.00	-289,906.41	89.02%
Expense				
600 · Supplies Expense				
600-01 · Supplies Office	4,737.51	5,000.00	262.49	94.75%
600-05 · Supplies Staff & Boards	2,239.61	2,100.00	-139.61	106.65%
600-08 · Supplies Repair/Maintenance	627.45	700.00	72.55	89.64%
Total 600 · Supplies Expense	<u>7,604.57</u>	<u>7,800.00</u>	<u>195.43</u>	<u>97.49%</u>
610 · Contractual Services				
610-01 · Contract Incentives-EDPA-Compli	315,155.71	298,700.00	-16,455.71	105.51%
610-02 · Contract City of Kilgore	386,300.00	386,300.00	0.00	100.0%
610-07 · Contract Legal Services	14,675.34	25,000.00	10,324.66	58.7%
610-08 · Contract Prof Accounting Fees	15,050.00	15,100.00	50.00	99.67%
610-09 · Contract Eco Dev Services	10,080.57	20,000.00	9,919.43	50.4%
610-11 · Contract Labor Services	40,535.34	15,000.00	-25,535.34	270.24%
610-15 · Contract Rental Equipment	2,213.97	3,200.00	986.03	69.19%
610-18 · Contract IT Services	24,030.98	26,000.00	1,969.02	92.43%
Total 610 · Contractual Services	<u>808,041.91</u>	<u>789,300.00</u>	<u>-18,741.91</u>	<u>102.37%</u>
612 · School Registration & Training				
612-01 · TEDC Conf Registration Fees	1,529.00	2,675.00	1,146.00	57.16%
612-02 · IEDC Registration Fees	0.00	750.00	750.00	0.0%
612-03 · BREI Registration Fees	0.00	450.00	450.00	0.0%
612-04 · SEDC Registration Fees	0.00	500.00	500.00	0.0%
612-06 · Sales Tax Training Registration	120.00	175.00	55.00	68.57%
612-07 · Open Gov't-Record Retention Reg	0.00	285.00	285.00	0.0%
612-08 · CED Institute	1,795.00	0.00	-1,795.00	100.0%
612-09 · Synchronist Training	0.00	685.00	685.00	0.0%
612-12 · CMCP Cert Manager Comm Property	295.00	1,120.00	825.00	26.34%
Total 612 · School Registration & Training	<u>3,739.00</u>	<u>6,640.00</u>	<u>2,901.00</u>	<u>56.31%</u>

Kilgore Economic Development Corp Fund 70
Budget vs. Actual Detail
October 2020 through September 2021 Unaudited

	<u>Oct '20 - Sep 21</u>	<u>Budget</u>	<u>\$ Over/Under Budget</u>	<u>% of Budget</u>
614 · Travel Expenses				
614-01 · TEDC Travel	224.04	4,500.00	4,275.96	4.98%
614-02 · IEDC Travel	0.00	2,000.00	2,000.00	0.0%
614-03 · BREI Travel	0.00	2,000.00	2,000.00	0.0%
614-04 · SEDC Travel	1,387.42	1,500.00	112.58	92.5%
614-06 · Sales Tax Training Travel	0.00	100.00	100.00	0.0%
614-07 · Open Gov't-Record Reten Travel	0.00	950.00	950.00	0.0%
614-09 · Synchronist Travel	0.00	2,000.00	2,000.00	0.0%
614-15 · NETDR Meeting Travel	0.00	650.00	650.00	0.0%
614-17 · Gregg Co Day & E TX Coal Travel	108.00	1,500.00	1,392.00	7.2%
614-18 · Special Project Travel	1,315.51	6,500.00	5,184.49	20.24%
614-19 · Kilgore MTGS - Other Travel	896.20	1,000.00	103.80	89.62%
614-20 · Mileage Exp for Local Travel	852.40	1,500.00	647.60	56.83%
614-25 · Mission Trip Travel	0.00	1,000.00	1,000.00	0.0%
Total 614 · Travel Expenses	4,783.57	25,200.00	20,416.43	18.98%
616 · Dues, Fees & Memberships				
616-01 · TEDC Dues	1,575.00	2,100.00	525.00	75.0%
616-02 · IEDC Dues	455.00	450.00	-5.00	101.11%
616-03 · BREI Dues	100.00	150.00	50.00	66.67%
616-04 · SEDC Dues	250.00	250.00	0.00	100.0%
616-06 · SHRM / ETHRA Dues	52.00	209.00	157.00	24.88%
616-12 · BOMA Membership	0.00	250.00	250.00	0.0%
616-15 · NETEDR Dues	0.00	200.00	200.00	0.0%
616-28 · Texas SmartBuy Membership Dues	100.00	100.00	0.00	100.0%
616-30 · Sam's Club Membership Dues	100.00	100.00	0.00	100.0%
616-32 · Chamber Commerce Membership Due	250.00	225.00	-25.00	111.11%
Total 616 · Dues, Fees & Memberships	2,882.00	4,034.00	1,152.00	71.44%
620 · Marketing				
621 · Marketing Initiative Memb/Subcr				
621-01 · NETEA Membership	12,000.00	12,000.00	0.00	100.0%
621-03 · Texas One Membership	5,000.00	5,000.00	0.00	100.0%
621-06 · Research 360 Subscription-Sites	1,495.00	1,495.00	0.00	100.0%
621-08 · Impact Data Source Subscription	4,876.00	4,783.00	-93.00	101.94%
621-10 · Team Texas Membership	3,000.00	3,000.00	0.00	100.0%
621-12 · Right Corner Membership	2,500.00	2,500.00	0.00	100.0%
621-15 · I-20 Corridor Membership	2,500.00	2,500.00	0.00	100.0%
621-16 · IAMC Membership	1,645.00	1,645.00	0.00	100.0%
621-18 · Annual License WebBase Proposal	899.45	1,000.00	100.55	89.95%
621-20 · EAIC Membership	1,035.00	1,035.00	0.00	100.0%
Total 621 · Marketing Initiative Memb/Subcr	34,950.45	34,958.00	7.55	99.98%
622 · Contractual Lead Generation				
622-01 · Contract Marketing	9,975.00	10,000.00	25.00	99.75%
622-02 · Contract Markting Smart Calling	23,750.00	15,000.00	-8,750.00	158.33%
622-03 · Research & Market Intelligence	7,175.00	15,000.00	7,825.00	47.83%
Total 622 · Contractual Lead Generation	40,900.00	40,000.00	-900.00	102.25%

Kilgore Economic Development Corp Fund 70
Budget vs. Actual Detail
October 2020 through September 2021 Unaudited

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623 · Social & Email Marketing				
623-01 · Website Marketing	17,500.00	13,000.00	-4,500.00	134.62%
623-02 · Online Marketing	3,082.00	2,500.00	-582.00	123.28%
623-03 · Real Estate Advertising - Other	111.02	1,000.00	888.98	11.1%
623-20 · Web Page Updates	0.00	10,000.00	10,000.00	0.0%
623-25 · Social Media Advertising	0.00	1,000.00	1,000.00	0.0%
623-33 · Directory Listings	1,450.00	1,500.00	50.00	96.67%
Total 623 · Social & Email Marketing	22,143.02	29,000.00	6,856.98	76.36%
624 · Marketing Collateral Materials				
624-01 · Photographs & Videos	3,018.70	10,000.00	6,981.30	30.19%
624-02 · Brochures & Presentation Materi	0.00	3,000.00	3,000.00	0.0%
624-03 · Promotional Items	1,912.08	5,000.00	3,087.92	38.24%
Total 624 · Marketing Collateral Materials	4,930.78	18,000.00	13,069.22	27.39%
625 · Recruitment Activities				
625-01 · Team Texas				
625-011 · Team Texas Marketing Fees	5,000.00	4,500.00	-500.00	111.11%
625-012 · Team Texas Events	0.00	6,000.00	6,000.00	0.0%
Total 625-01 · Team Texas	5,000.00	10,500.00	5,500.00	47.62%
625-03 · Texas One Recruitment Activity				
625-032 · Texas One Meetings/Events Aust	0.00	1,500.00	1,500.00	0.0%
Total 625-03 · Texas One Recruitment Activity	0.00	1,500.00	1,500.00	0.0%
625-04 · IAMC Registration & Travel				
625-041 · IAMC Fall Forum	383.41	3,200.00	2,816.59	11.98%
625-042 · IAMC Spring Forum	0.00	3,200.00	3,200.00	0.0%
625-043 · IAMC Texas Dinner	600.00	600.00	0.00	100.0%
Total 625-04 · IAMC Registration & Travel	983.41	7,000.00	6,016.59	14.05%
625-05 · NETEA Lead Generation				
625-051 · Company Visits Travel	6,769.71	7,500.00	730.29	90.26%
625-053 · NETEA Meetings	134.00	400.00	266.00	33.5%
Total 625-05 · NETEA Lead Generation	6,903.71	7,900.00	996.29	87.39%
625-06 · I-20 Corridor				
625-061 · I-20 Corridor Events	305.86	900.00	594.14	33.98%
625-062 · I-20 Corridor Meetings	0.00	100.00	100.00	0.0%
Total 625-06 · I-20 Corridor	305.86	1,000.00	694.14	30.59%
625-07 · Right Corner				
625-071 · Right Corner Events	3,646.32	6,000.00	2,353.68	60.77%
625-072 · Right Corner Meetings	0.00	100.00	100.00	0.0%
Total 625-07 · Right Corner	3,646.32	6,100.00	2,453.68	59.78%
625-08 · EAIC Events	0.00	15,000.00	15,000.00	0.0%
625-13 · SEDC Meet the Consultants	-300.00	2,500.00	2,800.00	-12.0%
625-15 · Discretionary Marketing Opportu	10,725.58	51,542.00	40,816.42	20.81%
Total 625 · Recruitment Activities	27,264.88	103,042.00	75,777.12	26.46%
Total 620 · Marketing	130,189.13	225,000.00	94,810.87	57.86%

Kilgore Economic Development Corp Fund 70
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630 · Business Retention - Expansion				
630-01 · BRE Meetings with Chamber	970.00	4,000.00	3,030.00	24.25%
630-02 · CEO Meetings	556.59	1,500.00	943.41	37.11%
630-04 · Business Appreciation Events	-36.71	12,000.00	12,036.71	-0.31%
630-05 · HR Meetings	7.52	4,500.00	4,492.48	0.17%
630-10 · SBDC Programs	0.00	5,000.00	5,000.00	0.0%
630-11 · Workforce Development	0.00	23,700.00	23,700.00	0.0%
630-13 · BRE Projects CEO Events	2,993.00	15,000.00	12,007.00	19.95%
630-19 · Contact Management Tool	6,250.00	1,250.00	-5,000.00	500.0%
630-30 · BRE Surveys	0.00	500.00	500.00	0.0%
630-31 · Labor Market Data	2,358.00	2,652.00	294.00	88.91%
630-33 · Wage & Benefit Survey	0.00	2,000.00	2,000.00	0.0%
630-35 · Tax Base Value Survey	0.00	4,000.00	4,000.00	0.0%
Total 630 · Business Retention - Expansion	13,098.40	76,102.00	63,003.60	17.21%
640 · Synergy Center Lease Expenses				
640-01 · Lease Payments	45,300.00	45,300.00	0.00	100.0%
640-02 · NNN Expenses	15,563.00	12,960.00	-2,603.00	120.09%
640-05 · Electric Utility	9,746.44	9,500.00	-246.44	102.59%
640-06 · Telephone & Internet	5,006.51	5,000.00	-6.51	100.13%
640-10 · Cleaning	5,771.00	7,000.00	1,229.00	82.44%
640-15 · Supplies for Synergy Center	1,173.96	900.00	-273.96	130.44%
640-16 · Repair & Maintenance	5,280.96	5,780.00	499.04	91.37%
640-20 · Training Room Rentals	-610.00	-1,500.00	-890.00	40.67%
Total 640 · Synergy Center Lease Expenses	87,231.87	84,940.00	-2,291.87	102.7%
650 · Buildings & Grounds Maintenance				
651 · Synergy Park				
651-01 · Cleaning & Maintenance Supplies	550.85	1,250.00	699.15	44.07%
651-03 · Contract Maintenance/Cleaning	16,710.00	15,600.00	-1,110.00	107.12%
651-06 · Fish Texas Parks & Wildlife	2,648.80	2,650.00	1.20	99.96%
651-08 · Security Camera Maint & Repair	0.00	5,000.00	5,000.00	0.0%
651-10 · Gates Maintenance & Repairs	2,812.46	3,500.00	687.54	80.36%
651-20 · Water Utilities	1,232.77	1,200.00	-32.77	102.73%
651-21 · Electric Utilities	769.67	1,000.00	230.33	76.97%
651-22 · Telephone Line Service to Gate	772.96	792.00	19.04	97.6%
651-26 · Security Patrol	10,093.38	12,000.00	1,906.62	84.11%
651-30 · Brush Hog Open Area Mowing	33,770.00	35,760.00	1,990.00	94.44%
651-31 · Trail Area Mowing	23,200.00	23,200.00	0.00	100.0%
651-32 · Tree Cutting & Removal	1,900.00	7,500.00	5,600.00	25.33%
651-35 · Weed and Ant Control	0.00	1,800.00	1,800.00	0.0%
651-37 · Landscape & Beds Maintenance	3,300.00	3,600.00	300.00	91.67%
651-40 · Misc Repairs & Maintenance	15,434.20	20,000.00	4,565.80	77.17%
651-50 · SPPOA Reimbursement	-15,450.00	-15,450.00	0.00	100.0%
Total 651 · Synergy Park	97,745.09	119,402.00	21,656.91	81.86%
652 · KNIP - Maverick Dr @ Hwy 42				
652-30 · KNIP Brush Hog Open Area Mowing	180.00	1,000.00	820.00	18.0%
652-40 · KNIP Misc Repairs & Maintenance	0.00	500.00	500.00	0.0%
Total 652 · KNIP - Maverick Dr @ Hwy 42	180.00	1,500.00	1,320.00	12.0%

Kilgore Economic Development Corp Fund 70
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653 · KIP - Energy Drive				
653-21 · KIP Electric Service	275.95	330.00	54.05	83.62%
653-30 · KIP Brush Hog Open Area Mowing	390.00	1,200.00	810.00	32.5%
653-37 · KIP Landscape & Bed Maintenance	2,090.00	2,280.00	190.00	91.67%
653-40 · KIP Misc Repairs & Maintenance	0.00	500.00	500.00	0.0%
Total 653 · KIP - Energy Drive	<u>2,755.95</u>	<u>4,310.00</u>	<u>1,554.05</u>	<u>63.94%</u>
654 · KEDC Other Property Expense				
654-60 · Cox Road Property	0.00	1,000.00	1,000.00	0.0%
654-61 · FM 349 & 2276 CDL Testing Site	751.58	1,620.00	868.42	46.39%
654-63 · NOV Subdivision Tract 5	0.00	500.00	500.00	0.0%
654-64 · 4005 FM 349 Advanced Tech Centr	1,511.44	1,500.00	-11.44	100.76%
654-65 · 4017 Enterprise Wagner Bldg.	7,762.21	1,200.00	-6,562.21	646.85%
654-66 · 2906 Hwy 349 Halliburton	725.79	0.00	-725.79	100.0%
654-90 · Reserve for Buildings & Grounds	0.00	50,000.00	50,000.00	0.0%
Total 654 · KEDC Other Property Expense	<u>10,751.02</u>	<u>55,820.00</u>	<u>45,068.98</u>	<u>19.26%</u>
Total 650 · Buildings & Grounds Maintenance	<u>111,432.06</u>	<u>181,032.00</u>	<u>69,599.94</u>	<u>61.55%</u>
660 · Capital Expenditures				
660-01 · Capital Equipment Minor <\$5,000	4,170.61	5,000.00	829.39	83.41%
660-02 · Capital Equipment >\$5,000	0.00	10,000.00	10,000.00	0.0%
660-05 · Capital Improvements - Synergy	0.00	200,000.00	200,000.00	0.0%
660-10 · Capital Improvements Other Prop	0.00	200,000.00	200,000.00	0.0%
660-17 · Wagner Tuning 4017 Enterprise	12,235.48	0.00	-12,235.48	100.0%
660-18 · Elder Lake Rd Rehab Phase 2	20,173.29	0.00	-20,173.29	100.0%
660-19 · Halliburton Property FM 349	2,536,701.80	0.00	-2,536,701.80	100.0%
Total 660 · Capital Expenditures	<u>2,573,281.18</u>	<u>415,000.00</u>	<u>-2,158,281.18</u>	<u>620.07%</u>
Total Expense	<u>3,742,283.69</u>	<u>1,815,048.00</u>	<u>-1,927,235.69</u>	<u>206.18%</u>
Net Ordinary Income	<u>-1,392,023.10</u>	<u>825,119.00</u>	<u>2,217,142.10</u>	<u>-168.71%</u>
Other Income/Expense				
Other Expense				
680 · Transfers Out of Operating Fund				
680-10 · Bond Set Aside	180,000.00	180,000.00	0.00	100.0%
680-20 · Transfer Out to Bond I&S Acct	645,120.00	645,119.00	-1.00	100.0%
Total 680 · Transfers Out of Operating Fund	<u>825,120.00</u>	<u>825,119.00</u>	<u>-1.00</u>	<u>100.0%</u>
Total Other Expense	<u>825,120.00</u>	<u>825,119.00</u>	<u>-1.00</u>	<u>100.0%</u>
Net Other Income	<u>-825,120.00</u>	<u>-825,119.00</u>	<u>1.00</u>	<u>100.0%</u>
Net Income	<u><u>-2,217,143.10</u></u>	<u><u>0.00</u></u>	<u><u>-2,217,143.10</u></u>	<u><u>100.0%</u></u>