

**CITY OF VICTORIA, TEXAS**  
**VICTORIA SALES TAX DEVELOPMENT CORPORATION QUARTERLY FINANCIAL REPORT**  
**PRO FORMA SCHEDULE OF WORKING CAPITAL POSITION**  
**FOR THE CORRESPONDING FISCAL YEAR PRESENTED**  
**AS OF SEPTEMBER 30, 2011**

	Fiscal Year 2010-11 Original Budget	Fiscal Year 2010-11 Amended Budget	Fiscal Year 2010-11 Projected Actual	Fiscal Year 2011-12 Proposed Budget
<b>BEGINNING WORKING CAPITAL</b>				
Undesignated Working Capital	\$ 5,297,464	\$ 5,599,323	\$ 5,599,323	\$ 7,138,955
Designated Working Capital - Outstanding Projects	-	5,550,291	5,550,291	-
Reserved Working Capital	-	-	-	-
<b>TOTAL WORKING CAPITAL, OCTOBER 1</b>	<b>\$ 5,297,464</b>	<b>\$ 11,149,615</b>	<b>\$ 11,149,615</b>	<b>\$ 7,138,955</b>
<b>REVENUES</b>				
Sales Tax Receipts	\$ 5,967,804	\$ 6,174,000	\$ 7,175,000	\$ 7,605,900
Interest Income	25,000	25,000	27,500	25,000
Land Lease Agreements	-	3,728	3,728	3,728
Miscellaneous Income	-	-	21,772	20,000
Transfers In from City of Victoria	1,000,000	1,446,886	1,946,886	-
<b>Total Revenues</b>	<b>\$ 6,992,804</b>	<b>\$ 7,649,615</b>	<b>\$ 9,174,887</b>	<b>\$ 7,654,628</b>
<b>TOTAL FUNDS AVAILABLE</b>	<b>\$ 12,290,268</b>	<b>\$ 18,799,229</b>	<b>\$ 20,324,501</b>	<b>\$ 14,793,583</b>
<b>EXPENDITURES</b>				
Debt Service	\$ 1,072,350	\$ 1,144,979	\$ 1,144,979	\$ 1,066,700
Administrative & Maintenance Costs	320,000	320,000	309,500	312,000
VEDC Programs	350,000	450,000	350,000	362,000
Utilities Projects	3,017,477	2,135,028	2,135,028	6,934,759
Economic Development Projects	2,480,000	4,020,116	4,020,116	-
Street, Sidewalk, Drainage & Other Infrastructure	250,000	4,980,300	4,920,944	365,000
<b>Total Expenditures</b>	<b>\$ 7,489,827</b>	<b>\$ 13,050,423</b>	<b>\$ 12,880,567</b>	<b>\$ 9,040,459</b>
<b>ENDING WORKING CAPITAL</b>				
Undesignated Working Capital	\$ 3,800,441	\$ 4,748,806	\$ 6,443,934	\$ 4,753,124
Designated Working Capital - Outstanding Projects	-	-	-	-
Reserved for VSTDC Economic Incentives	1,000,000	1,000,000	1,000,000	1,000,000
Reserved for CIP Program	-	-	-	-
<b>TOTAL WORKING CAPITAL, JUNE 30</b>	<b>\$ 4,800,441</b>	<b>\$ 5,748,806</b>	<b>\$ 7,443,934</b>	<b>\$ 5,753,124</b>

**Available Funds:**

<b>Estimated Unallocated Oct. 1, 2011 Fund Balance</b>	<b>\$ 7,138,955</b>
Anticipated Land Lease Revenue	3,728
Anticipated Miscellaneous Revenue (local portion of Sales & Use Tax)	20,000
Anticipated Transfer from General Fund	0
Anticipated Transfer from Water Wastewater Fund	0
Anticipated Interest Income	25,000
Anticipated Sales Tax Income	7,605,900
De-allocated Funds:	0
<b>Total Anticipated Funds Available for Projects</b>	<b>\$ 14,793,583</b>

**Proposed Projects:**

**Utilities Projects**

*Downtown Utility Replacement Phase II Projects 5 & 7 - Construction – construction costs for replacing water mains & replacing or rehabilitating sewer mains in portions of Bridge Street, South Street, Third Street, Second Street and DeLeon Street – Lynn Short	\$ 1,831,737
*Downtown Utility Replacement Phase III Projects 1 & 2 - Engineering – engineering services for replacing water mains & replacing or rehabilitating sewer mains in portions of Cameron Street, Navarro Street, Convent Street and Church Street – Lynn Short	428,817
*Downtown Utility Replacement Phase III Projects 1 & 2 - Construction – construction costs for replacing water mains & replacing or rehabilitating sewer mains in portions of Cameron Street, Navarro Street, Convent Street and Church Street – Lynn Short	2,858,780
*Downtown Utility Replacement Phase III Project 4 - Engineering – engineering services for replacing water mains & replacing or rehabilitating sewer mains in portions of Navarro Street and Juan Linn Street – Lynn Short	165,684
*Conti Lane Sewer Extension Project – construction costs for installing approximately 2,500 linear feet of 12" & 15" sanitary sewer gravity main down Conti Lane from US 87 to Conti Lane Lift Station. This project also includes the rehabilitation and overlay of Conti Lane from the lift station to Main Street – Lynn Short	684,741
*Navarro / Huvar Street Sanitary Sewer Project – construction costs for replacing a 15" sanitary sewer line at Navarro from the 77 Lift Station to Huvar Street with a 24" sanitary sewer line and also replacing a 8" sanitary sewer line at Huvar Street to Navarro to Dairy Road with a 24" sanitary sewer line and all associated street and sidewalk repairs – Lynn Short	965,000

**Street, Sidewalk, Drainage & Other Infrastructure Projects**

*Huvar Street Overlay Project – construction costs to install approximately 500 feet of curb and gutter and sidewalk on Huvar Street and reconstruct the roadway following the utility replacement project – Lynn Short	365,000
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**Administrative and Maintenance Costs**

*Debt Service Costs attributable to Youth Sports Complex Project – including principal and interest payments payable on debt issued to finance the Youth Sports Complex Project (year five of ten year amortization) – Andrew K. Jacob	1,066,700
* Administrative & engineering fees—payable to City of Victoria pursuant to Interlocal Agreement at time projects expenses are incurred, including fees for engineering and contract administration for all projects as well as services provided by Finance, Legal and City Secretary for daily administration of the VSTDC operations – Andrew K. Jacob	300,000
* VEDC (Victoria Economic Development Corporation) Programs - including maintenance costs, operating costs, administration, research & development, determination of feasibility & practicability, and other expenses incident to other projects listed in VSTDC budget – Dale Fowler	362,000
* Maintenance and Operating Costs of the Loop 463 Business and Industrial Park Project – maintenance & operating costs of business park at intersection of Loop 463 & Lone Tree Road in Victoria, Texas – Doug Cochran	12,000
<b>Total Allocated Expenditures</b>	<b>\$ 9,040,459</b>
<b>Planned, but Unallocated Expenditures</b>	
<b>(These expenditures will NOT be made UNLESS the VSTDC takes further action on them)</b>	
Future Capital Improvements Programs	4,753,124
Business Incentive Project(s)	0
Designated Operating Fund Balance	1,000,000
<b>Proposed Total Expenditures (includes allocated and planned expenditures)</b>	<b>\$14,793,583</b>
<b>Budget Surplus (Deficit) =</b>	<b>\$ 0</b>

**VSTDC RESOLUTION 2011-2012 TX**

**Resolution of the Board of Directors of The Victoria Sales Tax Development Corporation (VSTDC) adopting FY 2011-2012 Budget of the VSTDC; and declaring an effective date.**

WHEREAS in accordance with the Development Corporation Act of 2007, Tx. Local Gov't Code §§ 501.001 et.seq., and Article IV of the VSTDC's Articles of Incorporation, the VSTDC finds that all of the expenditures described in the budget attached hereto as Exhibit "A" are authorized projects or costs related to authorized projects;

THEREFORE, IT IS RESOLVED BY THE BOARD OF DIRECTORS OF THE VICTORIA SALES TAX DEVELOPMENT CORPORATION:

1.

The aforementioned findings are adopted by the Board of Directors of the VSTDC.

2.

During Fiscal Year 2011-2012, the VSTDC will expend funds in accordance with the budget attached hereto as Exhibit "A" in addition to funds appropriated in prior fiscal years.

3.

The President of the Victoria Sales Tax Development Corporation is authorized to execute contracts, leases, and other documents between the VSTDC and the City of Victoria or other parties to generate income or effect the expenditures described above for which funds have been allocated and which have been approved by the Treasurer of the VSTDC and the City Attorney of the City of Victoria. The President of the Victoria Sales Tax Development Corporation is further authorized to accept deeds obtained in furtherance of the aforementioned allocated funds, also as approved by the Treasurer of the VSTDC and the City Attorney of the City of Victoria.

4.

Any action taken in this or any previous fiscal year by the VSTDC that might be potentially invalid due to an insufficient number of qualified directorial votes required to lawfully enact said action is hereby ratified.

5.

This resolution shall become effective immediately upon approval by the VSTDC.

PASSED, this the 18<sup>th</sup> day of October, 2011.

AYES: 7

NAYS: 0

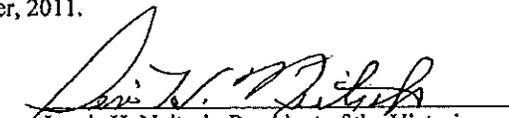
ABSTENTIONS: 0

APPROVED AND ADOPTED, this the 18<sup>th</sup> day of October, 2011.



ATTEST:

  
SCARLET SWOBODA, Secretary

  
Lewis H. Neitsch, President of the Victoria  
Sales Tax Development Corporation

APPROVED AS TO FORM:

  
THOMAS A. GWOSZ, Attorney for the VSTDC

Copies Sent: October 20, 2011