

**ANNUAL REPORT OF THE NASSAU BAY
ECONOMIC DEVELOPMENT CORPORATION**

Fiscal Year 2004 -- 2005

Prepared for the City Council of the City of
Nassau Bay, Texas

November 2005

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For
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Prepared for the City Council of the City of Nassau Bay, Texas

In accordance with the by-laws of the Nassau Bay Economic Development Corporation, this annual report covering the period October 1, 2004 - September 30, 2005, is submitted as required by paragraph 5. (b). The following items summarize major EDC activities and decisions for Fiscal Year 2004 - 2005:

1. Relocation of power lines along NASA Parkway – Based on a final report submitted by Don Johnson which stated the desired relocation work would be extensive and very costly, it was the consensus of the EDC to follow Mr. Johnson's recommendation that TxDOT and Reliant do the work as planned by those two entities in the NASA Parkway Bypass project, with the EDC taking a look at it after the project is done to see how the poles and wiring look.
2. Heard presentation of Phase II, Community/ID Program, by Joe Fackel of Buxton Group, with consensus being that when rfp's are developed by the urban planner for a developer this data will become more useful.
3. Through public hearing process, added the following to list of possible projects to be funded by the EDC alone or in concert with the City of Nassau Bay:
 - Funding to engage services of urban planner;
 - Costs associated with relocation of power lines; and
 - Costs for bulkhead construction and replacement.
4. Public hearing requirements having been met, ratified previous allocations of \$180,666 for bulkhead work and \$80,000 for urban planning.
5. Re-elected current slate of officers: Don Matter, President; Don Johnson, Vice President; David Braun, Secretary; and Mark Denman, Treasurer.
6. Participated in Special Joint Meeting with Nassau Bay City Council and Urban Planning Advisory Committee to hear update on urban planning/redevelopment.
7. Recommended to Council that it go forward with the creation of a management district to aid in the redevelopment process.
8. Gave additional instructions to City Manager regarding updating the City's page of BAHEP's marketing brochure.

9. Accepted annual audit for fiscal year ending September 30, 2004 as prepared by Fifield & Company.
10. Due to apparent high costs and unknowns, tabled decision to recommend that Council proceed with agreement with CenterPoint Energy to place existing aerial utility lines crossing NASA Parkway in underground conduit with funding from EDC.
11. With invited Councilmembers and Sue Darcy of Knudson, City's urban planner, discussed poor response to City's requests for proposals for redevelopment. Sue Darcy conducts fact finding and John Kennedy and Ms. Darcy met with the lone submitter – Transwestern Commercial Services.
12. Approved budget for FY05/06.

NASSAU BAY
ECONOMIC DEVELOPMENT CORPORATION
FINANCIAL STATEMENTS
Unaudited
For the Fiscal Year Ended
September 30, 2005



**Nassau Bay Economic Development Corporation
Cash Flow Projection for Next Six Months
Unaudited Report
September 30, 2005**

September 30, 2005 Balance:

Cash	8,194.56
Investments	106,984.85
Total Cash & Investments	115,179.41

		Month/Check	Projected Cash Receipts	Projected Cash Disbursements	Projected Cash Balance
Cash & Investments			September 30, 2005 Balance:		\$ 115,179.38
Sales Tax Revenue	"	October	16,553.64		131,733.02
City of Nassau Bay	Legal-Gregg & Gregg	1222		(1,075.00)	130,658.02
BAHEP	Table Top Book	1223		(5,197.50)	125,460.52
BAHEP	Membership	1224		(2,435.00)	123,025.52
City of Nassau Bay	Dredging	1225		(125,000.00)	(1,974.48)
Sales Tax Revenue	Projected	November	16,000.00		14,025.52
Sales Tax Revenue	"	December	15,000.00		29,025.52
Sales Tax Revenue	"	January	12,000.00		41,025.52
Sales Tax Revenue	"	February	15,000.00		56,025.52
Sales Tax Revenue	"	March	14,000.00		70,025.52
Cash & Investments	March 2006		\$ 88,553.64	\$ (133,707.50)	70,025.52

Cash available for EDC Projects in January 2006
Less Reserve Budget
Balance after Reserve in January 2006

\$ 41,025.52
\$ (80,000.00)
\$ (38,974.48)

Account	Description	Year Budget (SUBTOTAL)	Month Actual (SUBTOTAL)	Year To Date Actual (SUBTOTAL)	Encumbrance (SUBTOTAL)	Budget Balance (SUBTOTAL)	Percent Received Spent
Department number: 1 Administrative							
Program number:							
51-3020-01-00	Interest on Investments	2,000.00-	287.94-	2,552.79-		552.79	127.640
51-3110-01-00	Sales Tax Revenue	170,000.00-	44,271.51-	173,644.11-		3,644.11	102.144
	Subtotal:	172,000.00-	44,559.47-	176,196.90-		4,196.90	102.440
Program number:	0	172,000.00-	44,559.47-	176,196.90-		4,196.90	102.440
Department number:	1 Administrative	172,000.00-	44,559.47-	176,196.90-		4,196.90	102.440
Department number: 99 FUND RESERVE							
Program number:							
51-9520-99-00	Prior Year Balance	108,262.00-				108,262.00-	
51-9525-99-00	End of Year Reserve	58,262.00				58,262.00	
	Subtotal:	50,000.00-				50,000.00-	
Program number:	0	50,000.00-				50,000.00-	
Department number:	99 FUND RESERVE	50,000.00-				50,000.00-	
Revenue	Subtotal - - - -	222,000.00-	44,559.47-	176,196.90-		45,893.10-	79.368
Department number: 1 Administrative							
Program number:							
51-5000-01-00	Administrative Expense	12,000.00		12,000.00			100.000
51-5001-01-00	Audit	985.00		985.00			100.000
51-5002-01-00	Promotion/Consulting	9,000.00	5,197.50	11,780.00		2,780.00-	130.889
51-5003-01-00	Reserve	80,000.00				80,000.00	
51-5004-01-00	Training	1,000.00				1,000.00	
51-5005-01-00	Legal	3,735.00	1,075.00	8,225.00		4,490.00-	220.214
51-5006-01-00	Memberships-BAHEP/TEBC	10,280.00		10,350.00		70.00-	100.481
51-5103-01-00	Dredging Projects	25,000.00		25,000.00			100.000
51-5107-01-00	Urban Planning Project	80,000.00		80,000.00			100.000
	Subtotal:	222,000.00	6,272.50	148,340.00		73,660.00	66.820
Program number:	0	222,000.00	6,272.50	148,340.00		73,660.00	66.820
Department number:	1 Administrative	222,000.00	6,272.50	148,340.00		73,660.00	66.820
Expenditure	Subtotal - - - -	222,000.00	6,272.50	148,340.00		73,660.00	66.820

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12:23 10/23/05
Fund: 51 ECONOMIC DEVELOPMENT FUND

City of Nassau Bay
Revenue & Expense Report
Period Ending: 09/05

Account	Description	Year Budget (SUBTOTAL)	Month Actual (SUBTOTAL)	Year To Date Actual (SUBTOTAL)	Encumbrce (SUBTOTAL)	Budget Balance (SUBTOTAL)	Percent Received Spent
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Fund number:	51 ECONOMIC DEVELOPMENT FUND		40,286.97-	27,856.90-		27,856.90	
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***** End of Report *****

Nassau Bay Economic Development Corporation
EDC Expenses For the Fiscal Year Ending September 30, 2005
Unaudited Report
September 30, 2005

Payee	Vendor	Check No.	Description	For Year Ended 09-30-05
Expenditures:				
City of Nassau Bay	BAHEP	1211	Dues for 2005	10,000.00
City of Nassau Bay	Gregg & Gregg	1212	Legal	125.00
City of Nassau Bay	BAHEP	1213	Regional Marketing Brochure	950.00
Fifield & Co. CPA	Fifield & Co. CPA	1214	FY04 Audit	985.00
City of Nassau Bay	City of N.B.	1215	FY05 Administrative Expense	12,000.00
City of Nassau Bay	Capital Projects	1216	FY05 Joint Urban Planning Project	80,000.00
City of Nassau Bay	Gregg & Gregg	1217	Legal	7,025.00
City of Nassau Bay	BAHEP	1218	Table Top Book	3,197.50
City of Nassau Bay	Magnan-McFee	1219	4 page spread for Table Top Book	2,435.00
Tex.Econ.Dev.Council	TEDC	1220	Dues	350.00
City of Nassau Bay	Dredging	1221	FY05 Joint Dredging Project	25,000.00
Subtotal To Date				<u>142,067.50</u>
Accounts Payable:				
City of Nassau Bay	Gregg & Gregg	1222	Legal for July & August	1,075.00
City of Nassau Bay	BAHEP	1223	Balance of Table Top Book	5,197.50
Total Expenditures				<u>\$ 148,340.00</u>
Pending Commitments:				
City of Nassau Bay	Dredging		FY06 Joint Dredging Project	<u>\$ 125,000.00</u>

Nassau Bay Economic Development Corporation
Sales Tax Revenue
Unaudited Report
September 30, 2005

Month	EDC Year Ended 9-30-01 (FY01)	EDC Year Ended 9-30-02 (FY02)	EDC Year Ended 9-30-03 (FY03)	EDC Year Ended 9-30-04 (FY04)	EDC Year Ended 9-30-05 (FY05)	EDC Budget 9-30-05 (FY05)	Over (Under) Budget (FY05)
December	9,422.67	8,636.50	17,726.60	14,714.30	16,043.20	15,000	1,043
January	8,600.20	8,724.70	12,576.20	11,844.55	19,126.16	12,000	7,126
February	19,024.30	28,554.36 c	17,726.50	17,144.67	15,193.56	17,000	(1,806)
March	10,213.08	10,094.99	14,865.32	11,764.66	14,394.93	12,000	2,395
April	8,327.25	60,709.83 d	16,388.63	13,335.39	14,886.69	13,000	1,887
May	18,245.62	18,039.76	14,015.95	16,244.16	17,141.89	16,000	1,142
June	21,013.26 a	12,344.50	8,371.56 f	17,245.53 h	10,267.54	11,000	(732)
July	10,895.07	10,404.37	14,293.89	12,545.45	4,314.38 i	13,000	(8,686)
August	19,521.14	14,327.57	19,492.58	19,211.79	16,004.25	19,000	(2,996)
September	9,466.54	14,875.80 e	12,403.30	11,288.59	13,717.87	12,000	1,718
* October	13,495.72 b	12,914.03	12,954.88	14,435.91	16,553.64	14,000	2,554
* November	23,945.80	16,370.44	23,891.34 g	16,677.40	16,000.00 p	16,000	-
Total	172,170.65	215,996.85	184,706.75	176,452.40 p	173,644.11	170,000	3,644
EDC Budget	140,000.00	150,000.00	155,000.00	160,000.00	170,000.00	170,000	
P Projected							
Includes one time Payment of:							
a.	\$ 9,291.59						
b.	\$ 4,147.43						
c.	\$ 8,191.71						
d.	\$52,672.02						
e.	\$ 3,231.34						
f.	\$(12,661.61)	Refund					
g.	\$7,388.86						
h.	\$(11,212.42)	Refund					
i.	\$(8,105.83)	Refund					
* Accrued at September 30:		29,284.47	36,846.22	31,113.31	32,553.64		
(October & Nov. 20xx payments)							

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 12:35 10/23/05
 Fund: 51 ECONOMIC DEVELOPMENT FUND

City of Nassau Bay
 Balance Sheet
 Period Ending: 09/30/05

Account Number	Description	Debit	Credit
51-1010-01-00	CASH		
51-1013-01-00	CASH-EOC Bk of America	8,194.56	
51-1032-01-00	INVESTMENTS	106,984.82	
51-1122-01-00	Accounts Receivable		
51-1135-01-00	SALES TAX RECEIVABLE	32,553.64	
51-2005-01-00	Accounts Payable		-6,272.50
51-2520-01-00	FUND BALANCE		-113,603.62
51-2521-01-00	Prior Year Reserve		
Current Year Revenue/Expense			-27,856.90
Fund totals:		147,733.02	-147,733.02

***** End of Report *****

ECONOMIC DEVELOPMENT CORPORATION

OCTOBER 2004

Officers are re-elected as follows:

President	Don Matter
Vice President	Don Johnson
Secretary	David Braun
Treasurer	Mark Denman

Directors	Ron Swofford
	Gary Mossman
	Joe Murdock

JUNE 13, 2005

Council ratifies appointment of the following directors by virtue of their service on Council:

Don Matter
Ron Swofford
David Braun
Mark Denman

Council ratifies current additional director as:

Joe Murdock term to expire May 2006

Council reappoints current additional directors:

Don Johnson	term to expire May 2007
Gary Mossman	term to expire May 2007
