



North & East Lubbock
Community Development Corporation
P.O. Box 3893 Lubbock, Texas 79452
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August 28, 2014

**Board of
Directors**

*David Langston
Chairperson*

*Kevin McConic
Vice Chairperson*

*Greg Jones
Treasurer*

*Rosalind Alexander
Secretary*

*Monique Coleman
Executive Director*

Nathan Cage

Rick Dykes

Sonny Garza

David Haynes

Thomas Harris III

Velma Lethridge

Carlos Morales

Elena Quintanilla

Quincy White

Mario Ybarra

**Advisory
Members**

Rob Allison

*Carolyn Thompson
Conwright*

Irasema Velaquez

Cheryl Brock
Budget Director
City of Lubbock
P.O. Box 2000
Lubbock, TX. 79457

Dear Ms. Brock:

Please find a summary of North & East Lubbock CDC (“NELCDC”) activities, which have occurred from April 2014 – June 2014. Following the summary you will find also find:

- The NELCDC Operating Budget vs. Actual Report (Section 380 or City Funds);
- The NELCDC King’s Dominion Budget vs. Actual Report (Non-Section 380 Funds);
- The NELCDC Parkway Place Budget vs. Actual Report;
- The NELCDC Operating Budget Balance Sheet; and
- The NELCDC Parkway Place Balance Sheet.

First-Time Homebuyers

The NELCDC assisted two (2) first-time homebuyers with the purchasing of single-family homes in King’s Dominion Phase II. The homes were purchased for \$126,000 and \$132,000.

Homebuyer Education & Financial Literacy (HUD-Certified Contract Housing Counselor)

The NELCDC conducted a homebuyer education and financial literacy training seminar in June 2014 with a total of **15 participants**. Each participant received a completion certificate. The NELCDC’s HUD-certified contract housing counselor offers an online homebuyer education training, where clients are able to go online to complete an 8-hour online course; this service is made available to NELCDC clients. Upon completion of the course, the counselor verifies the courses are complete and provides the certificate. This process has proven to be convenient for clients with schedule conflicts.

Homebuyer Education & Financial Literacy (NELCDC Program Manager)

The NELCDC’s Program Manager, Mr. Reggie Dial has completed a sufficient amount of HUD required housing counseling certification training to initiate the intake consultation and the initial financial literacy components of the organization’s homebuyer education program.

Mr. Dial will complete his testing this fall and should be fully certified by December 2014/January 2015. During the 3rd quarter, Mr. Dial conducted an intake consultation and/or provided preliminary counseling to **13 clients**.

The NELCDC has developed and implemented a new housing counseling intake form, which will be used to better facilitate the tracking and progress of each client served by the contract and internal NELCDC housing counselors. More information about the form and revamped monitoring process will be provided in the 4th quarterly report.

Parkway Place Shopping Center

During the 3rd quarter, the NELCDC management worked on property improvements, the completion and improvement of landscaping and irrigation for Parkway Place, and the expansion of the drive surface to enable delivery capacity demands for a new tenant, which will likely occupy approximately 7,000 square ft. at the Parkway Place shopping center this fall. Upon this space being occupied, the NELCDC is proud to state that more than three quarters of available tenant space will be filled at Parkway Place. The NELCDC has also received a few more serious inquiries, which may result in the remaining available space being occupied in the near future. NELCDC management will report more as prospects come to fruition.

Governance

The NELCDC Board of Directors continues to have oversight and formulate goals and objectives for the Corporation. During the 3rd quarter, the NELCDC Board of Directors met April 30, May 28, and June 25. The Board of Directors has been working to reactivate the finance and executive committees to review policies and procedures; the Board of Directors hired William Morris as the NELCDC's new accountant; and the Board has solicited the services of Garrett and Swann, CPA to conduct previous and future year audits. There are many administrative processes that are currently under review by the NELCDC Board and Executive Director. Furthermore, the NELCDC is planning a strategic planning session this fall (most likely in October or November 2014) to review, update, and revise the existing NELCDC strategic action plan. Additional information will be provided as plans develop or tasks are completed.

Management

As of July 15, 2014, Monique Coleman began serving as the NELCDC's new Executive Director. Ms. Coleman has informed the NELCDC Board of Directors that an annual report of accomplishments for 2014 will be developed. The NELCDC will be happy to provide a report of NELCDC successes following the completion and publishing of the 2014 report.

Fundraising

The NELCDC Community Champion Awards (CCA) Banquet is the organization's annual fundraising event. This year's Community Champion recipient will be Maggie Trejo. Entrepreneur of the Year is Reagor Dykes Auto Group and Visionary Award recipient is Dr. Scott Ridley. The event will be held at the Lubbock Memorial Civic Center on September 15, 2014 from 11:30 a.m. – 1:00 p.m. United States Small Business Administration District Director, Calvin Davis, will be the keynote speaker. This year's fundraising goal is \$35,000.

Regards,



Monique Coleman, Executive Director

North & East Lubbock CDC Operating Budget

Budget vs. Actual FY 2013-14

(Section 380 Funds)

October 2013 - June 2014

	Budget	Actual Year-To-Date	Variance (Remaining Balance)
Income			
City of Lubbock Grant	\$ 251,068.00	188,301.00	62,767.00
Total Income	\$ 251,068.00	188,301.00	62,767.00
Expenses			
Personnel			
Salaries	\$ 108,700.00	34,879.12	73,820.88
HUD Certified Counselor - Sub Contractor	42,000.00	33,700.00	8,300.00
Car Allowances	2,400.00	2,656.88	(256.88)
Health Coverage	9,400.00	1,847.00	7,553.00
Total Personnel	\$ 162,500.00	73,083.00	89,417.00
Payroll Taxes			
Payroll Taxes	\$ 8,568.00	5,413.54	3,154.46
Total Payroll Taxes	\$ 8,568.00	5,413.54	3,154.46
Credit/Housing Counseling Program			
Credit Reports (300 clients @ \$50 per person = \$15,000)	\$ 15,000.00	150.82	14,849.18
Supplies, postage, etc	5,000.00	1,754.38	3,245.62
Training	10,000.00	6,082.25	3,917.75
Total Credit/Housing Counseling Program	\$ 30,000.00	7,987.45	22,012.55
Other Operational Expenses			
Supplies	\$ 3,400.00	9,432.77	(6,032.77)
Phone	7,000.00	4,693.81	2,306.19
Copier Lease	8,000.00	5,294.80	2,705.20
Membership	1,000.00	670.00	330.00
Bank Charges	500.00	214.61	285.39
Board Community Meetings	3,600.00	3,312.65	287.35
Travel	1,500.00	1,218.70	281.30
Officer & Liability Insurance	4,000.00	3,258.00	742.00
Legal	10,000.00	8,462.00	1,538.00
Auditing & Bookkeeping Services	6,000.00	-	6,000.00
Professional Services	5,000.00	4,603.79	396.21
Total Operational Expenses	\$ 50,000.00	41,161.13	8,838.87
Total Expenses	\$ 251,068.00	127,645.12	123,422.88
Net	\$ -	60,655.88	(60,655.88)

North & East Lubbock CDC King's Dominion Budget

Budget vs. Actual FY 2013-14

(Non-Section 380 Funds)

October 2013 - June 2014

	Budget	Actual Year-To-Date	Variance (Remaining Balance)
Income			
Lot Sales	\$ 87,010.00	37,010.00	50,000.00
National Church Residence	6,687.50	6,687.50	-
Community Champion Awards Banquet	35,000.00	-	35,000.00
Total Income	\$ 128,697.50	43,697.50	85,000.00
Expenses			
Operating Expenses			
Legal	\$ 11,444.17	8,854.79	2,589.38
Development	20,400.00	20,390.40	9.60
Maintenance	5,000.00	225.00	4,775.00
CCA Banquet Expenses	18,000.00	1,738.87	16,261.13
Payroll - Thomas Harris, III	20,000.00	20,000.00	-
Payroll Taxes - Thomas Harris, III	6,333.33	3,706.21	2,627.12
Total Operating Expenses	\$ 81,177.50	54,915.27	26,262.23
Other Expenses			
Western Bank Loan	\$ 47,520.00	35,640.00	11,880.00
Total Loan Expense	\$ 47,520.00	35,640.00	11,880.00
Total Expenses	\$ 128,697.50	90,555.27	38,142.23
Net	\$ -	(46,857.77)	46,857.77

North & East Lubbock CDC Parkway Place, LLC Budget

Budget vs. Actual FY 2013-14

(Non-Section 380 Funds)

October 2013 - June 2014

	Budget	Actual Year-To-Date	Variance (Remaining Balance)
Income			
Lease Revenue	\$ 125,520.00	102,706.54	22,813.46
Total Income	\$ 125,520.00	102,706.54	22,813.46
Expenses			
Operating Expenses			
Audit	\$ 2,000.00	1,800.00	200.00
Insurance	15,000.00	15,010.72	(10.72)
Legal	4,000.00	5,448.85	(1,448.85)
Maintenance	8,000.00	15,518.16	(7,518.16)
Printing/Copying	500.00	99.99	400.01
Property Taxes	21,000.00	20,247.04	752.96
Utilities	13,000.00	8,303.55	4,696.45
Total Operating Expenses	\$ 63,500.00	66,428.31	(2,928.31)
Other Expenses			
Construction Cost Parkway Pharmacy	\$ 80,000.00	77,630.16	2,369.84
Plains Capital Bank Loan Payment	35,000.00	20,149.50	14,850.50
Total "Other" Expenses	\$ 115,000.00	97,779.66	17,220.34
Total Expenses	\$ 178,500.00	164,207.97	14,292.03
Net	\$ (52,980.00)	(61,501.43)	8,521.43

North & East Lubbock CDC
Balance Sheet
As of June 30, 2014

Jun 30, 14

ASSETS

Current Assets

Checking/Savings

1016 · NELCDC (NEW) Operation Account	91,496.42
1015 · N & E CDC ASB Payroll (NEW)	8,177.13
1020 · N & E CDC ASB Savings Account	56,003.06
1040 · Petty Cash Account	0.30
1050 · N & E CDC - WF Savings	19,070.76
1060 · ASB Savings - Micro	6,194.06

Total Checking/Savings \$ 180,941.73

Accounts Receivable

1110 · Accounts receivable - (Section 380-city funds)	62,767.00
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Total Accounts Receivable \$ 62,767.00

Other Current Assets

1450 · North & East Lubbock Invest. *	784,827.95
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Total Other Current Assets 784,827.95

Total Current Assets \$ 1,028,536.68

Fixed Assets

1500 · Land

1520 · King's Dominion

1521 · King's Dominio-Land	164,737.20
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1522 · King's Dominio-Res. Lot Sales	63,025.05
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Total 1520 · King's Dominion \$ 227,762.25

Total 1500 · Land 227,762.25

1633 · Equipment	23,805.30
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1699 · Accumulated Depreciation	(16,036.70)
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Total Fixed Assets \$ 235,530.85

TOTAL ASSETS \$ 1,264,067.53

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

2010 · Accounts payable	
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Total Accounts Payable

Other Current Liabilities

2250 · Accrued Interest	3,500.00
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North & East Lubbock CDC
Balance Sheet
As of June 30, 2014

	<u>Jun 30, 14</u>
2300 - Western Bank Loan	245,066.21
2100 - Payroll Liabilities	299.44
2200 - Deferred Revenue LEDA	<u>5,687.50</u>
Total Other Current Liabilities	254,553.15
Total Current Liabilities	\$ 254,553.15
Total Liabilities	\$ 254,553.15
Equity	
3001 - Opening Bal Equity	414,908.05
3010 - Unrestrict (retained earnings)	613,542.98
Net Income	<u>(18,936.65)</u>
Total Equity	\$ 1,009,514.38
TOTAL LIABILITIES & EQUITY	\$ 1,264,067.53

Parkway Place Lubbock, LLC
Balance Sheet
As of June 30, 2014
Jun 30, 14

ASSETS

Current Assets

Checking/Savings

Western Bank Account - 23,900.97

Total Checking/Savings \$ 23,900.97

Total Current Assets 23,900.97

Fixed Assets

Land 67,500.00

Parkway Place Shopping Center 1,980,966.97

Total Fixed Assets \$ 2,048,466.97

Other Assets

Accum. Amort. Organ. Costs (210.00)

Accum. Depreciation/Parkway (66,456.00)

Organizational Costs 1,078.35

Total Other Assets (65,587.65)

TOTAL ASSETS **2,006,780.29**

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

Accounts Payable

Total Accounts Payable

Other Current Liabilities

Plains Capital Loan 30,232.32

Western Bank Loan (26,868.16)

Total Other Current Liabilities \$ 3,364.16

Total Current Liabilities 3,364.16

Total Liabilities \$ **3,364.16**

Equity

Gill Holdings Equity Investment 1,086,121.83

NELI Capital Contribution 873,703.37

Retained Earnings 120,793.86

Net Income (77,202.93)

Total Equity \$ **2,003,416.13**

TOTAL LIABILITIES & EQUITY **2,006,780.29**