Economic Development Fund

Under the City's Local Option Economic Development Program, a $600,000 sales tax transfer is required in FY15 to make the debt service payment on the $3 million grant and $18 million construction loan made to John Q. Hammons (JQH) to facilitate construction of the JQH Embassy Suites/Conference Center/Marriott Courtyard. The entire transfer is recommended from the General Fund. In FY14, because of the State of Nebraska's Economic Development Incentive Program sales tax refund, only $300,000 was budgeted to be transferred from the General Fund with the remaining $300,000 from the Debt Service Fund. Also included in the revenue projections are the quarterly interest payments paid by JQH on the $15.8 million construction loan which will be repaid in FY17. Since its inception, including the budgeted $600,000 transfer in the current fiscal year, the City will have transferred $2,880,000 of sales tax revenue into the Economic Development fund.

About the Economic Development Program

- The Mayor & Council adopted Ordinance No. 919 (as amended by Ordinance No. 921) in accordance with Neb. Rev. Stat. Sections 18-2701 ("Local Option Municipal Economic Development Act") and thereby established an economic development program.
- Economic Development Program was previously approved by a majority of affirmative votes of registered voters at a special election held on September 30, 2003.
- In accordance with the "Local Option Municipal Economic Development Act" the City is authorized to issue bonds for purposes of the Act.
- Proprietary or commercial information that the applicant or JQH in this case provides to the City and desires to remain confidential shall remain confidential and not be publicly disclosed.
- There is a $2M per year maximum under State Statute that can be appropriated from funds derived directly from local sources of revenue for all economic development programs.
- On February 20, 2007, by Ordinance No. 1023, the City Council approved the Economic Development program application of John Q. Hammons along with a Development Agreement, Loan Classification, Loan Application and grant of $3 Million and loan of $18 Million to construct a full service hotel and conference center facility in Southport West.

CITY OF LA VISTA FY 14-15 BUDGET

ECONOMIC DEVELOPMENT FUND SUMMARY

	FY13 Actual	FY14 Budget	FY14 Estimate	FY15 Recommended
REVENUES				
CC Loan Payment	1,186,573	1,186,573	1,186,573	1,186,573
Bond Proceeds	0	0	0	0
Interest Income	0	0	0	0
Total Revenue	1,186,573	1,186,573	1,186,573	1,186,573
EXPENDITURES				
Professional Services	0	0	0	0
Debt Service - Bond Principal	570,000	605,000	605,000	645,000
Debt Service - Bond Interest	1,429,662	1,393,396	1,393,396	1,353,854
Land/Construction	0	0	0	0
Financial Fees	0	0	0	0
Total Expenditures	1,999,662	1,998,396	1,998,396	1,998,854
Other Financing Sources (Uses)				
General Fund Transfer - Sales Tax	600,000	300,000	300,000	600,000
Debt Service Fund Transfer - Sales Tax	0	300,000	300,000	0
Total Other Uses of Funds	600,000	600,000	600,000	600,000
Operating Cash Annual Inc/(Dec)	(213,089)	(211,822)	(211,822)	(212,280)
Prior Year Cash	883,395	670,306	668,747	456,925
End of Year Cash Total	670,306	458,484	456,925	244,645
Target Reserve	499,916	499,599	499,599	499,713
Excess Cash Over Reserves	170,391	(41,115)	(42,674)	(255,069)

ECONOMIC DEVELOPMENT FUND

Budget Code & Classification		FY11-12 Actual	FY12-13 Actual	FY13-14 Budget	FY13-14 Estimate	FY14-15 Requested	FY14-15 Recommended	FY15-16 Projection	FY16-17 Projection	FY17-18 Projection	FY18-19 Projection
14-01-0010	Total Brought Forward	1,093,984.00	883,395.00	670,306.41	668,747.00	456,924.69	456,924.69	244,644.63	34,791.57	232,625.60	435,903.08
14-04-8001	Other Revenue										
1007	Sales Tax - General Fund	600,000.00	600,000.00	300,000.00	300,000.00	600,000.00	600,000.00	600,000.00	600,000.00	600,000.00	600,000.00
1007	Sales Tax - Debt Service Fund			300,000.00	300,000.00	-	-	-			
1001	Real Estate Tax										
8010	Interest Income	1,009.53									
8060	Bond Proceeds										
8062	Balloon Payment								15,810,691.45		
8062	CC Loan Payment	1,186,573.44	1,186,573.44	1,186,573.44	1,186,573.44	1,186,573.44	1,186,573.44	1,186,573.44	889,930.08		
	Total Income	1,787,582.97	1,786,573.44	1,786,573.44	1,786,573.44	1,786,573.44	1,786,573.44	1,786,573.44	17,300,621.53	600,000.00	600,000.00
	Total Available	2,881,566.97	2,669,968.44	2,456,879.85	2,455,320.44	2,243,498.13	2,243,498.13	2,031,218.07	17,335,413.10	832,625.60	1,035,903.08
	EXP % OF REVENUE	112%	112%	112%	112%	112%	112%	112%	99%	-	-
	Exp and Requirements	1,998,172.00	1,999,662.00	1,998,395.75	1,998,395.75	1,998,853.50	1,998,853.50	1,996,426.50	17,102,787.50	396,722.52	596,623.00
	Balance Forward	883,394.97	670,306.44	458,484.10	456,924.69	244,644.63	244,644.63	34,791.57	232,625.60	435,903.08	439,280.08

14-51 Economic Development Fund

		FY11-12 Actual	FY12-13 Actual	FY13-14 Budget	FY13-14 Estimate	FY14-15 Requested	FY14-15 Recommended	FY15-16 Projection	FY16-17 Projection	FY17-18 Projection	FY18-19 Projection
200	Inter-Fund Transfers								5,000,000.00		
303	Professional Services										
501	Debt Service - Bond Principal	535,000.00	570,000.00	605,000.00	605,000.00	645,000.00	645,000.00	685,000.00	11,458,000.00	210,000.00	405,000.00
502	Debt Service - Bond Interest	1,463,172.00	1,429,662.00	1,393,395.75	1,393,395.75	1,353,853.50	1,353,853.50	1,311,426.50	644,787.50	186,722.52	191,623.00
503	Warrant/BAN Principal										
504	Warrant/BAN Interest										
510	County Treasurer Fees										
511	Land/Construction Pymnt										
514	Financial/Legal Fees										
	TOTAL	1,998,172.00	1,999,662.00	1,998,395.75	1,998,395.75	1,998,853.50	1,998,853.50	1,996,426.50	17,102,787.50	396,722.52	596,623.00

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City of La Vista
$21,245,000 Taxable Bonds
Dated July 30, 2007

Date	Principal	Coupon	Interest	Period Total	Fiscal Total
10/15/2014	645,000.00	6.380000	687,214.50	1,332,214.50	
4/15/2015			666,639.00	666,639.00	1,998,853.50
10/15/2015	685,000.00	6.380000	666,639.00	1,351,639.00	
4/15/2016			644,787.50	644,787.50	1,996,426.50
10/15/2016	730,000.00	6.530000	644,787.50	1,374,787.50	
4/15/2017			620,953.00	620,953.00	1,995,740.50
10/15/2017	780,000.00	6.530000	620,953.00	1,400,953.00	
4/15/2018			595,486.00	595,486.00	1,996,439.00
10/15/2018	835,000.00	6.830000	595,486.00	1,430,486.00	
4/15/2019			566,970.75	566,970.75	1,997,456.75
10/15/2019	890,000.00	6.830000	566,970.75	1,456,970.75	
4/15/2020			536,577.25	536,577.25	1,993,548.00
10/15/2020	960,000.00	7.730000	536,577.25	1,496,577.25	
4/15/2021			500,710.75	500,710.75	1,997,288.00
10/15/2021	1,035,000.00	7.730000	500,710.75	1,535,710.75	
4/15/2022			460,708.00	460,708.00	1,996,418.75
10/15/2022	1,120,000.00	7.730000	460,708.00	1,580,708.00	
4/15/2023			417,420.00	417,420.00	1,998,128.00
10/15/2023	1,210,000.00	7.730000	417,420.00	1,627,420.00	
4/15/2024			370,653.50	370,653.50	1,998,073.50
10/15/2024	1,305,000.00	7.730000	370,653.50	1,675,653.50	
4/15/2025			320,215.25	320,215.25	1,995,868.75
10/15/2025	1,410,000.00	7.730000	320,215.25	1,730,215.25	
4/15/2026			265,718.75	265,718.75	1,995,934.00
10/15/2026	1,525,000.00	7.730000	265,718.75	1,790,718.75	
4/15/2027			206,777.50	206,777.50	1,997,496.25
10/15/2027	1,645,000.00	7.730000	206,777.50	1,851,777.50	
4/15/2028			143,198.25	143,198.25	1,994,975.75
10/15/2028	1,780,000.00	7.730000	143,198.25	1,923,198.25	
4/15/2029			74,401.25	74,401.25	1,997,599.50
10/15/2029	1,925,000.00	7.730000	74,401.25	1,999,401.25	1,999,401.25
	18,480,000.00		13,469,648.00		31,949,648.00

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