

North & East Lubbock CDC

Annual Report

October 2014 – September 2015



Table of Contents

Contents	Page
Acknowledgements	1
Governance	2
Board Structure	2
Council Appointments	2
Strategic Planning	3
Board Involvement	3
Support Services	3
Administrative Practices (Administration)	4
• Financial Management Policies & Procedures	5
• Weekly Reports	5
• Employee Benefits Programs	5
• Micro-Lending	6
• Volunteer Program Administration	6
• Audits, Tax Returns, and Annual Reports	7
• City Council Presentations	7
Resource Development	8
• Grant Management Agreement	9
• HOME Partnership Investment Program	9
• Other Grants	9
• Fostering Partnerships	10
• Rebuilding Trust	10
Fundraising	11
• Community Champion Awards Luncheon	12
Homeownership Program	13
• Housing Counseling	14
• Housing Counseling Results Chart	15
• Housing Counseling Pipeline	15
• Performance Measures	16
• Referral Partner's Luncheon	17
• Adopt-a-Spot	18
• Community Housing Development Organization (CHDO) Development ...	18
• Mahon Villas (TDHCA - Tax Credit Project)	19
Partnerships & Outreach	20
• NELCDC Presents to LULAC	21
• NELCDC Supports Habitat Blessing of the Slab	21
• NELCDC Presents to City Wide Pride	22
• NELCDC Attends Texas Tech University Volunteer Fair	22
• NELCDC Presents to the Lubbock Chamber of Commerce	22
• NELCDC Co-Hosts "Own Your Own Home Resource Fair"	23
Parkway Place	24-25
Lessons Learned	26-27
Financial Report	28-35

Acknowledgements

The NELCDC is led by a great group of civic and community leaders that possess a vision for the future. The NELCDC team, comprised of volunteer board members and staff, work diligently to provide financial literacy and homeownership programs and services to the citizens of Lubbock, Texas. The 2014-15 fiscal year has been one with both challenges as well as triumphant moments. The NELCDC hopes this report reflects the great work that has been put forth, the vision forged for a brighter future, and most importantly plans for greater things to come.

As the President and Chief Executive Officer of the North and East Lubbock CDC, I'd like to acknowledge and sincerely thank the Board and Directors and staff members for a good year!

Regards,



Monique Coleman
Executive Director
North & East Lubbock CDC

Board Members

David Haynes, Chairperson
Vernita Holmes, Vice Chair
Sonny Garza, Treasurer
Mario Ybarra, Asst. Treasurer
Rosalind Alexander, Secretary

Nathan Cage
Gilbert Flores
Henry Ray Lozada
Cosby Morton
Subodh Patel
Quincy White

Advisory Board Members
Carolyn Thompson-Conwright
Greg Jones
David Langston

NELCDC Staff Members

Monique Coleman
Executive Director

Reggie Dial
Program Manager

Amanda Glover
Administrative Assistant



[Back to Table of Contents](#)

Governance

Texas nonprofit corporations are governed by titles 1 and 2 of the Texas Business Organizations Code (BOC). Title 1, chapter 3, subchapter A, of the BOC governs the formation of a nonprofit corporation and sets forth the provisions required or permitted to be contained in the certificate of formation. Compliant with state statute, the North and East Lubbock Community Development Corporation (“NELCDC”) was incorporated as a Texas nonprofit corporation on February 3, 2004 via the filing of the Articles of Incorporation. The NELCDC received designation as a tax exempt entity as of February 6, 2004 under section 501(c)3 of the Internal Revenue Services Code. As permitted by state statute, the NELCDC is governed under the terms specified in the adopted bylaws.

Board Structure

The NELCDC bylaws allow for a 15-member board and up to five (5) non-voting advisory members. Members may serve two (2) consecutive three-year terms; and members must sit off for one-year before being re-elected to the NELCDC Board of Directors. Since the NELCDC functions as a community housing development corporation (CHDO), the NELCDC is required to have one-third (1/3) of the Board of Directors be representatives of the target service area. Therefore, five (5) board members shall be neighborhood representatives, five (5) may be members at-large, and as explained below, five (5) members shall be government entity employees or appointees. In September 2015, the NELCDC launched a new [board member application](#), which is now available online. This application provides current board members with a means to review and select prospective board members.

Council Appointments

As of December 23, 2014, the NELCDC amended the corporation bylaws to permit the Lubbock City Council, a primary funding source, to appoint one-third (1/3) of the NELCDC’s Board of Directors. In February 2015, the Lubbock City Council appointed two members: Gilbert Flores and Subodh Patel. As government entity seats become available, the NELCDC will inform the Lubbock City Council so additional appointments can be made.

[Table of Contents](#)



November 2014 Strategic Planning Session

On November 25, 2014 the NELCDC held a very productive strategic planning workshop. The goal of this exercise was to allow the NELCDC Board of Directors to begin thinking about the NELCDC's future. Some of the key focal points raised out of the workshop were: the development of roof-tops (housing via the NELCDC's homeownership program); beautification and revitalization (via the NELCDC's new Adopt-a-Spot program); micro-lending facilitation; ongoing collaboration within the East Lubbock Community Alliance; a marketing strategy to improve the NELCDC's image; support other community investment projects (such as supporting and partnering with Habitat for Humanity); and better utilization of the NELCDC's for-profit entity, North & East Lubbock Investment, Inc. (NELI, Inc.)

General Board Involvement/Participation

Over the past year, the NELCDC board members have become much more involved in organizational functions via committees. As of July/August 2014, the NELCDC Board of Directors oversight and involvement have been increased through the use of the Executive Committee, Finance Committee, and Ad Hoc Committee. The recently assembled Ad Hoc Committee was created to cultivate ideas for commercial development. The Parkway Place Ad Hoc Committee consists of David Haynes, Subodh Patel, Gilbert Flores, Henry Lozada; Reggie Dial is the staff liaison to this committee.

Support Services

Support Services are a vital part of ensuring the way in which the organization strives to promote, create, and facilitate economic and community development. As of January 1, 2015, the NELCDC is represented by the Mayfield Law Firm. As of October 2014 the NELCDC began receiving all accounting services from Morris and Green, CPA. Account services include semi-monthly oversight of payroll and submission of payroll taxes to the IRS; quarterly submission of employee tax reports (941's) to the IRS, and monthly reconciliation of all NELCDC and Parkway Place bank accounts.

[Table of Contents](#)

Administrative Practices (Administration)

Administrative Practices (Administration)

Financial Management Policies & Procedures

The NELCDC adopted [Financial Management Policies and Procedures](#) on March 25, 2015. Many of these polices and procedures were implemented between July 2014-January 2015; however, a comprehensive manual was not drafted and approved by the Board of Directors until March 2015. These polices and procedures provide a guide, which determine how the NELCDC conducts business. The manual also provides a measure of accountability (for staff) to the NELCDC Board of Directors as well as to the public.

[Table of Contents](#)

Weekly Reports

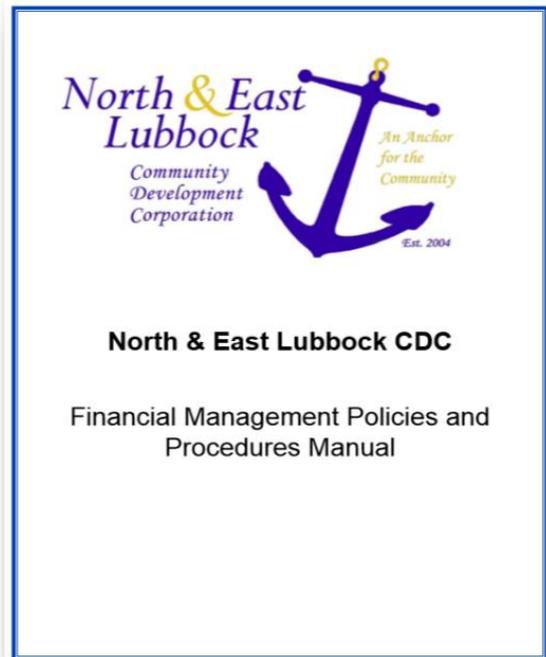
As of May 2015, NELCDC management began requiring staff to provide weekly reports. The reports provide detailed weekly updates in critical areas of daily functions. These reports allow management to determine:

- How much time is being spent on a function or task,
- Where deficiencies in services exist, and
- The area(s) that need improvement or attention.

The reports also provide management with a mechanism for determining if additional help is needed, if additional training is required, and most importantly, a comprehensive review of staff reports are a great justification for the need for existing staff as well as potential additional staff support in various areas.

Employee Benefits Programs

Although the NELCDC is a nonprofit organization, the NELCDC strives to provide competitive benefits for NELCDC employees. NELCDC management worked with the corporation's benefits specialist to ensure: 1) there is protocol in place for enrolling and removing employees from benefits programs and 2) there are forms and procedures for use during the open enrollment process. The protocol, forms and procedures have been established in the last fiscal year to ensure compliance with the Affordable Care Act. While this seems mundane, the health and wellness of employees are of the utmost importance to help the NELCDC ensure staff members are healthy and can receive great healthcare if and when needed. The NELCDC is proud to demonstrate its attention to detail as it pertains to a quality benefits program for employees.



North & East Lubbock CDC Weekly Report

As of May 26, 2015, each NELCDC employee (excluding the Executive Director) will be required to submit a weekly report each Friday by 11:00 a.m. These reports will be used to further track the effectiveness and efficiencies of staff. Weekly reports are further enhancements of performance measures. Each report must be typed, printed, signed and turned in to the administrative assistant.

Employee Name/Title:	Date of Report:	Report Week (Date Range):

Work Related to Parkway Place
All activities related to work requests, inquiries, leasing arrangements, etc. are required to be documented weekly. This will help ensure all business activities are addressed in a timely manner.

Date	Work Description

Inquiries about Business Loans (micro-lending)
The NELCDC does not currently provide micro-loans. However, clients still seek out advice, and guidance from NELCDC in an effort to start a new business. This weekly report form is designed to track how frequently these activities are occurring as well as how much staff time is devoted to this service.

Date of Contact	Name of Client and Description of Work/Services Provided	Time Spent w/ Client

NELCDC Weekly Performance Report Form – Created May 2015

These types of administrative practices that have been established will help the organization grow and can be utilized to attract talented professionals in the future.

Micro-Lending

After talking with the Small Business Administration (SBA) and Small Business Development Center (SBDC) offices in Lubbock as well as with lending institutions, the NELCDC learned the following:

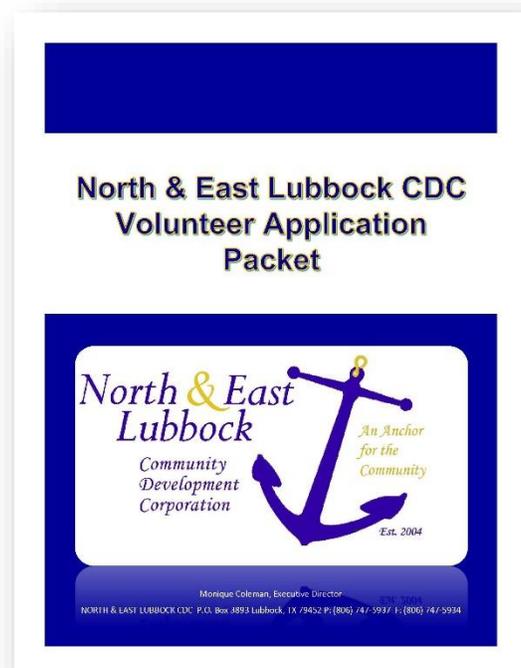
- The NELCDC should act as a conduit and a preparatory agent for small business ventures;
- The NELCDC (currently) does not have the capacity or resources to facilitate and/or manage micro-lending; and
- The NELCDC will best serve the public is preparing clients to obtain a business loan from a traditional lending institution.

Through many conversations and meetings throughout the past year, the NELCDC determined its best to allow lenders to function in their role, and the NELCDC function in its role – financial literacy education and counseling service. If we work to help our clients meet certain commercial loan criteria (i.e. credit scores and saving thresholds), refer our clients to business entities (such as the SBA and SBDC) to help develop a proper business plans, and when all prerequisites are met, the client will have a much greater chance at success with a traditional commercial lender.

Furthermore, the NELCDC must re-establish its discretionary funding sources before the organization can provide vital substantive micro-loans. In the future, the NELCDC may look to develop a structure for micro-lending; however, that opportunity did not present itself this fiscal year. The micro-lending endeavor is still under consideration; but aside from referrals to SBA and SBDC, micro-lending did not come to fruition during the 2014-15 fiscal year.

Volunteer Program Administration

On July 23, 2015 NELCDC management informed the Lubbock City Council volunteerism was the way in which the corporation planned to increase its capacity in hopes of improving impact. By August 21, 2015, the NELCDC launched a [Volunteer Application Packet](#). The NELCDC is very excited for the possibilities volunteerism provides! Volunteerism opens the organization up to the community, it allows the NELCDC to gain support in various areas (in a structured, methodical, well-thought out and intentional manner), and it simply allows the organization to do more with less! The NELCDC is optimistic this functional branch of administration will help the NELCDC in many ways. At year-end: the NELCDC has reached out to **LULAC, UMI, South Plains College, the Volunteer Center of Lubbock, Texas Tech University, and Junior League** for support. The NELCDC plans to refocus and streamline many of its efforts through the Volunteer Center of Lubbock. Nevertheless, networking to obtain viable internships and ongoing support from community volunteers seeking to serve the interests of north and east Lubbock will continue to provide opportunities for the NELCDC and volunteers alike. [Table of Contents](#)



Audits, Tax Returns, and Annual Reports

The NELCDC completed its three-year audit in March 2015. NELCDC tax returns were filed subsequently thereafter.

As stated in Section 22.357 – Report of Domestic and Foreign Corporation – of the [Business Organization Code \(BOC\)](#), a nonprofit corporation is required by law to file an informational report not more than once every four years upon request by the Secretary of State. The report provides information regarding the corporation's registered agent and registered office, and the names and addresses of its current officers and directors and is required regardless of the corporation's tax status. NELCDC management submitted an updated Notice of Periodic Report in April 2015.

In accordance with Section 22.352 – Financial Records and Annual Reports of the [BOC](#) and Article VIII. Section 7 (c) of the bylaws – NELCDC management shall prepare and present to the Board of Directors a report of the financial activity of the corporation for the preceding year. This report will be provided to the Board at the 2015 annual or regular board meeting. The report will be comprised of the 14-15 fiscal year's balance sheet and profit and loss statement. **This annual report is provided to adhere to the aforementioned reporting requirements. The financial reports begins on page 28 of this report.**

City Council Presentations

In an effort to keep the public and the Lubbock City Council informed, NELCDC management provided periodic updates on actions, events, and activities via memos and two (2) [City Council Work Sessions](#): November 20, 2014 and July 23, 2015. Additionally, NELCDC management communicated with city officials on various matters, projects, administrative efforts, and management improvements to demonstrate the efforts being made to improve the corporations performance, transparency, and accountability. NELCDC management also attended several City Council meetings throughout the year to stay informed of various activities impacting the north and east sectors of Lubbock.

Table of Contents



Resource Development

Resource Development

Grant Management Agreement

The NELCDC executed a grant management agreement with the City of Lubbock on April 9, 2015. The agreement, via resolution No. 2015-R0124, pursuant to Local Government Code Chapter 380.002, Vernon's Texas Codes Annotated, the City of Lubbock contracted with the North & East Lubbock CDC, a Texas Non-profit Corporation, for the purpose of promoting economic development within north and east Lubbock. The [Chapter 380 grant of \\$342,485](#) provided NELCDC program and project funding for the 14-15 fiscal year. The NELCDC management developed performance measures for the programs and projects specified in the approved budget to determine the effectiveness and outcomes of the corporation's efforts. As a reporting measure, the NELCDC is required to submit quarterly reports to the City of Lubbock Budget Office; these reports are provided to the Lubbock City Council and are placed on the NELCDC website under [financial reports](#). A final report on outcomes will be provided in the 4th quarter report, which will be submitted to the City of Lubbock in October 2015.

HOME Partnership Investment Program (HUD Funding)

The NELCDC receives HOME funds from the City of Lubbock Community Development Department as a result of its status as a community housing development organization (CHDO). The U.S. Department Housing and Urban Development or "HUD" mandates entitlement cities such as the City of Lubbock set-aside 15% of its HOME "HUD" funding for "CHDO's". If the NELCDC meets the HUD-specified criteria, which we did this past year, we can apply for HOME funding. The NELCDC had \$85,000 in HOME money going into the 14-15 fiscal year. In September 2014, the NELCDC received an additional \$60,000 in HOME funds. That \$145,000 was used to construct one affordable single-family housing unit at 1822 E. Harvard St. A prospective buyer was identified but unforeseen income changes made the home unaffordable for the prospective buyer. The home is currently being marketed to eligible first-time homebuyers within the NELCDC homeownership program. In June 2015, the NELCDC received an additional \$100,000 in HOME funds to build another home in King's Dominion. The HOME Partnership Investment Program is a great asset for the NELCDC. NELCDC management plans to better utilize this function and organizational "CHDO" status in various ways over the next fiscal year.

Other Grants

The North and East Lubbock CDC submitted a grant application for \$150,000 to the Talking Foundation for the new Adopt-a-Spot program and a \$25,000 grant application to the BBVA Compass Bank Charitable foundation for the financial literacy; one grant was not awarded and the other is still outstanding. Now that many fundamental organizational components are in place, NELCDC management has the ability to write grants with the tools needed to help deliver a successful grant application (e.g. current audits and tax returns, financial policies and procedures, etc.). In August 2015, the NELCDC was contacted by the Texas Tech University MPA-Non-profit Management office with an opportunity to have two MPA students write a grant for the NELCDC in 2016. After a couple of meetings and email communication, the students have begun this process for the NELCDC. This exercise might not only yield a funding source for the NELCDC, but the exercise will be beneficial to help NELCDC management seek other funding opportunities that might not have been considered. Management is working diligently to diversify funding opportunities for the NELCDC. Funding diversification has not only been highly recommended publicly and privately to the NELCDC but it has been strongly encouraged through the auditing process. It was noted that more than 70-80% of the corporation's operational income comes from one source. In an effort to demonstrate the corporation's receptiveness to this recommendation, the NELCDC is working to build and sell housing in King's Dominion – NELCDC owns the

subdivision so any home purchase will generate an income stream for the NELCDC; and the NELCDC's financial literacy program, once high-functioning has the potential of being HUD-funded (which may include all staffing and services). All of these programmatic endeavors have been designed to create additional funding sources for the NELCDC. Much progress has been made in the effort of **funding diversification**.

Now that the NELCDC has successfully completed its 3-year HUD desk review for the housing counseling agency status, the NELCDC plans to seek funding from HUD to support and expand the housing counseling component for the NELCDC. While funds may have been received in the past, it appeared critical to management that various programmatic functions be revamped, overhauled, improved and thoroughly documented before a pursuit of HUD funds could become a viable option. [Table of Contents](#)

Fostering Partnerships

NELCDC management began working to identify potential local partnerships. Over the last year, the NELCDC has cultivated a very successfully partnership with Habitat for Humanity. The NELCDC has conveyed to its partner (Habitat) that although the NELCDC is a developer at times (as a community housing development organization or affordable multi-family housing builder), the NELCDC is most-often functioning as a housing counseling agency (via financial literacy). As a result of a developing referral process with Habitat for Humanity, Habitat has begun to refer clients to the NELCDC (and other agencies as needed) as a means of preparing Habitat clients for the Habitat homeownership application process. In addition to this partnership, the NELCDC has been and will continue to identify other essential partnerships in Lubbock.

Re-building Trust

The NELCDC is working to regain public confidence and rebuild public trust. Although the organization, and specifically the Board of Directors, has always strived to maintain the highest level of integrity, the NELCDC endured some challenges over the last year. Nevertheless, the NELCDC has worked to be open and transparent about the organization's challenges and the corporation is working to move beyond any challenges by implementing the necessary measures of internal control and management oversight. NELCDC management sincerely hopes the publication of this annual report as well as the effort to open the organization's doors to volunteers (the public at-large) will further reiterate our strong desire to work with the community. The NELCDC is passionate about north and east Lubbock and its future and sincerely hopes the community at-large will continue to come alongside the NELCDC in service to north and east Lubbock.

[Table of Contents](#)

Fundraising

Fundraising

Community Champion Awards Fundraiser

The NELCDC held its 10th annual Community Champion Awards Luncheon fundraiser on September 15, 2014 at the Lubbock Memorial Civic Center banquet hall. The event recognized Mrs. Magdalena “Maggie” Trejo who received the Champion Award; Dr. Scott Ridley received the Visionary Award; and Reagor-Dykes Auto Group received the Entrepreneur Award for its pioneering efforts in downtown Lubbock. The NELCDC is planning to host the 11th annual community champion fundraiser in spring 2016. Currently, this is the NELCDC’s annual fundraiser but efforts are being made to host more than one annual fundraiser. Please note a few images of the September 2014 Community Champion Awards Luncheon. [Table of Contents](#)



**2014 Entrepreneur Award
Reagor Dykes Auto Group**



**2014 Visionary Award
Dr. Scott Ridley**



**2014 Community Champion
Ms. Maggie Trejo**



Homeownership Program

Homeownership Program

The NELCDC Homeownership Program has evolved and has been re-defined to a large extent over the last year. The NELCDC has been known for its housing counseling services; however, with the development and new implementation of the Adopt-a-Spot revitalization initiative, housing development as a “CHDO”, and efforts to construct affordable multi-family housing, the NELCDC’s homeownership program is becoming much more comprehensive. Each program component is explained below.

Housing Counseling

The NELCDC housing counseling program is designed to facilitate homeownership by helping clients meet income and credit criteria needed to obtain a mortgage. As a HUD-certified housing counseling agency, the NELCDC administers services consistent with its [Housing Counseling Work Plan](#), which has been submitted to and approved by HUD.

Although proposed in the fall 2014, the NELCDC finally implemented a client management system (CMS) called Counselor Max in July 2015. As specified in the 7610.1 Housing Counseling Handbook, HUD requires housing counseling agencies to use a CMS for client tracking and reporting purposes; Counselor Max appears to be a premier CMS. Additionally, Counselor Max is integrated with Core logic/Credco so the NELCDC can now pull and review tri-merge credit reports for housing counseling clientele, currently at no charge to the client. This is a significant benefit to the client and a great tool for credit education utilized by the NELCDC.

The NELCDC currently delivers housing counseling services in two functions: group education and one-on-one counseling. Please refer to the [Housing Counseling Work Plan](#) on the NELCDC’s housing counseling website for details on each process.

Since the group education (monthly financial literacy workshop) process was implemented in January 2015, the NELCDC did not have a benchmark to measure the programs’ effectiveness. However, the program, which boasts a proud partnership with the East Lubbock Promise Neighborhood (ELPN) team as well as the Bridge of Lubbock, where the financial literacy workshops are currently facilitated has been very successful with strong monthly attendance thus far. By the end of the FY 14-15 fiscal year 11 workshops will have been facilitated at the Bridge of Lubbock. Please visit the housing counseling website for the marketing material and the 2015 workshop calendar <http://www.nelcdc.org/housing-counseling.html>.



Following group-education, NELCDC staff encourages all clients ready to work towards becoming a first-time homebuyer to begin one-on-one counseling with a HUD-approved NELCDC housing counselor. Please refer to the NELCDC’s published [Housing Counseling Work Plan](#) for details. This aforementioned plan was provided to and approved by the U.S. Department of Housing and Urban Development (HUD) Office of Housing Counseling – Oversight and Accountability Division.

In addition to the housing counseling work plan, the NELCDC is working to finalize a program overview document to help market the homeownership program and reach out to business professionals involved in the home-buying process (realtors and mortgage lenders). Moreover, as an overall method to build organizational capacity to support the homeownership program the NELCDC developed and launched a [volunteer program](#). The volunteer program is discussed at length in the *Volunteer Program Administration* section explained on page 6.



Housing Counseling Results Chart (as of September 30, 2015)

# of Households Impacted-Group Education	# of Households to Complete-Group Education	# of Households Impacted-One-on-One Counseling	# of First-time Homebuyers	# of Habitat for Humanity Referrals	# of Clients to Receive DPCC	# of Housing Units Constructed
109	49	46	3	7	2	1

****DPCC means down payment and closing cost assistance from NELCDC or another source***

Housing Counseling Pipeline

The “housing counseling pipeline” refers to all NELCDC one-on-one housing counseling clients that are currently or have previously received services from the NELCDC. Last year, the 13-14 fiscal year, the NELCDC reported 24 clients to HUD. At year-end (9/30/15), the NELCDC added 46 clients into its one-on-one housing counseling database, which makes a current total of 70 households in the pipeline of prospective homebuyers. The goal of the new methodology for the NELCDC’s housing counseling services is to require clients to first participate in group education, which prepares them for one-on-one counseling. Then, for those ready to pursue homeownership, they are moved into the one-on-one counseling program. Clients are free to choose the housing program that best fits their needs. Some may choose to construct a new home in King’s Dominion; others may choose to purchase an existing home for sale, while others may be working towards successfully completing Habitat for Humanity’s application process for homeownership. The NELCDC’s goal, regardless of the homeownership program selected, is to facilitate homeownership through sound financial literacy education. [Table of Contents](#)

North & East Lubbock CDC Operating Budget

Performance Measures Year-End Report

October 2014 - September 2015

	Budget	Anticipated Impact	1 st Quarter (Oct-Dec 14)	2 nd Quarter (Jan-Mar 15)	3 rd Quarter (Apr-Jun 15)	4 th Quarter (Jul-Sept 15)	Actual Impact (Year-End)	Variance
Operating Efforts (Outreach)								
<i>Outreach Forums (in partnership with East Lubbock Community Alliance)</i>	Staff Time	5	-	3	2	2	7	-2
<i>Number of Clients Impacted (outreach)</i>	Staff Time	unknown	-	-	-	-	-	-
<i>Number of Clients Impacted (micro-lending)</i>	Staff Time	unknown	1	1	-	-	2	-
Program 1: Housing/Credit Counseling								
	Staff Time (8-hrs mthly)	13	-	3	3	3	9	4
<i>Financial Literacy Workshops</i>								
<i>Financial Literacy Workshop Attendance (one or more classes)</i>	Staff Time	unknown	-	37	29	43	109	-
<i>*New measure - Workshop Graduates (completed classes/received certificates)</i>	Staff Time	unknown	-	15	11	23	49	-
<i>Number of Clients Impacted (one-on-one)</i>	Staff Time	46	5	10	14	17	46	0
Program 2: Adopt-a-Spot								
<i>Plans Developed</i>	Staff Time	1	-	-	-	-	-	1
<i>Outreach meetings</i>	Staff Time	unknown	-	-	-	-	-	-
<i>Number of Clients Impacted</i>	Staff Time	46	-	-	-	-	-	46
<i>Homeowner Recipients of Down-Payment & Closing Cost</i>	\$30,000	4	-	-	-	-	-	4
<i>Homeowner Recipients of Rehab Materials</i>	\$26,500	7-9 homeowners	-	-	-	-	-	7+
<i>Dunbar-Manhattan Heights Homeowner Recipients of Rehab Materials</i>	\$8,500	6-13 homeowners	-	-	-	-	-	6+

Referral Partner's Luncheon

On September 11, 2015, the NELCDC launched its new Referral Partner's Luncheon. The monthly lunch is designed to invite members of the home-buying professional community (banks, realtors, insurance agents, etc.) into a partnership with the NELCDC. This environment allows NELCDC to provide an overview of its programs as well as gain an understanding of how we can better facilitate our programs to compliment the needs of realtors and lenders. At the completion of each event, we now provide a [referral partners agreement](#) to solidify the partnership. As shown on NELCDC event's page screenshot to the right, the Referral Partner's Luncheon program overview, schedule, purpose and agreement are now available online at this link: <http://www.nelcdc.org/events.html>.

First United Bank, American National Bank, and City Bank mortgage lending professionals attended the September 11 Referral Partner's Luncheon.



Referral Partner's Luncheon

Date: Friday, September 11, 2015

Time: 11:00 A.M. - 1:00 P.M.

Location: Lubbock Housing Authority (LHA)
1708 Crickets Ave. Lubbock, TX 79401

Meeting Purpose:
Explain the NELCDC's housing counseling and financial literacy process; explain HUD's expectations for a HUD approved agency; discuss industry standards; and establish partners to which the NELCDC housing counselors can make homeownership referrals.

Lunch will be provided! Please attend if your schedules permit; we need and want your participation!



Questions or to RSVP? Call Amanda Glover, NELCDC Administrative Assistant at (806) 747-5937

North & East Lubbock Community Development Corporation



Monthly Referral Partner's Luncheon

Upcoming 2015 Luncheons

Date	Time	Location
Friday, September 11, 2015	11:00 a.m. - 1:00 p.m.	1708 Crickets Ave. - Lubbock Housing Authority
Wednesday, October 14, 2015	11:00 a.m. - 12:30 p.m.	1708 Crickets Ave. - Lubbock Housing Authority
Tuesday, November 10, 2015	11:00 a.m. - 12:30 p.m.	1708 Crickets Ave. - Lubbock Housing Authority
Wednesday, December 9, 2015	11:00 a.m. - 12:30 p.m.	1708 Crickets Ave. - Lubbock Housing Authority

Purpose of Monthly Luncheons

- Meet-n-Greet - get to know the NELCDC staff
- Learn about the NELCDC's financial literacy program and down-payment and closing cost assistance
- Learn about NELCDC's HUD-certified housing counseling agency status and what benefits are available to your clients
- Become an NELCDC partner and utilize a great network to make referrals for various homeownership program opportunities.

Lunch is provided! Contact NELCDC staff to RSVP for an upcoming luncheon - (806) 747-5937

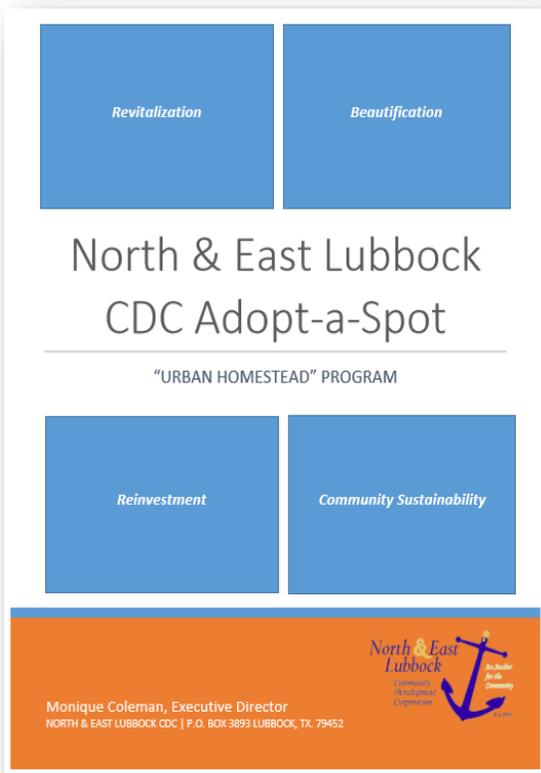
Referral Partner's Agreement

The attached document will be provided at each luncheon. We hope, after experiencing and learning about the NELCDC's efforts to foster lasting relationships to help facilitate community and economic development through the establishment of homeownership in north and east Lubbock, lenders, realtors, and other professions in the home-buying business will become an NELCDC partner.

Questions? Please contact Monique Coleman, Executive Director at monique@nelcdc.org

Table of Contents

Adopt-a-Spot



Adopt-a-Spot, a neighborhood revitalization initiative, is a new program designed to help the NELCDC improve target neighborhood areas by cleaning up vacant or dilapidated properties, establishing community gardens, and working to establish new homeowners upon vacant lots. \$116,000 was received in the grant management agreement with the City of Lubbock for this program. The Adopt-a-Spot effort is a collaborative partnership between NELCDC, Habitat for Humanity, and LUNA. NELCDC and Habitat are teaming up to supply materials and volunteer labor to fix-up housing in north and east Lubbock neighborhoods while LUNA is an integral member in the partnership to help build connectivity with the residents. Since program funding was not available until April 2015, the NELCDC has not implemented the program as of September 2015. However, the NELCDC has planning underway to conduct a project in Dunbar-Manhattan Heights in October 2015 and future projects in the 2015-16 fiscal year.

Community Housing Development Organization (CHDO) Development

As stated in the Resource Development section of this report under the HOME Investment Partnership Program, the NELCDC functions as a community housing development organization or “CHDO” when HUD funding is available. The single-family housing constructed at 1822 E. Harvard St. (shown right) will be sold to an eligible client. Once the home is sold, the proceeds from the sale, less the value of the lot, will be used to construct another home in the King’s Dominion subdivision. In addition to using program income to build additional housing in King’s Dominion Phase II, the NELCDC will also use remaining funds as well as the additional \$100,000 HOME funds, received in June 2015, to build another house. The NELCDC plans to build and sale at least two additional single-family housing units in the King’s Dominion subdivision in the next fiscal year (‘15-16).



The NELCDC plans to build and sale at least two additional single-family housing units in the King’s Dominion subdivision in the next fiscal year (‘15-16). [Table of Contents](#)

Mahon Villas (formerly known as Villa del Norte)

The NELCDC and Bywater Development Group worked together to submit a competitive 9% LIHTC application to the Texas Department of Housing and Community Affairs (TDHCA). It was determined in late July/early August 2015 the NELCDC-Bywater partnership did not have the highest (competitive) score to obtain the tax-credit funding requested to develop a 94-unit affordable multi-family housing complex at 1913 Baylor Street, the current home to the dilapidated Villa del Norte apartments. However, the NELCDC-Bywater team did not see this as a setback but an opportunity to compete again in the next round of tax-credit funding. The NELCDC worked with the property owner to obtain site control of the property. As a prospective property-owner of the site (following the demolition of Villa del Norte) the NELCDC-Bywater partnership will surge forward in an effort to bring the Mahon Villas concept plan for revitalization into fruition by forming a single purpose entity and preparing for a second round in the 9% competitive TDHCA tax-credit application process. Please visit the following links to review the Mahon Revitalization Plan or community presentation: [Table of Contents](#)

http://www.nelcdc.org/assets/mahon_plan_021815.pdf

http://www.nelcdc.org/assets/community_presentation_mahon_villas.pdf

Mahon Villas—Phase I

Development Team:

Lead Community Partner:
**North & East Lubbock
 Community Development
 Corporation (NELCDC)**



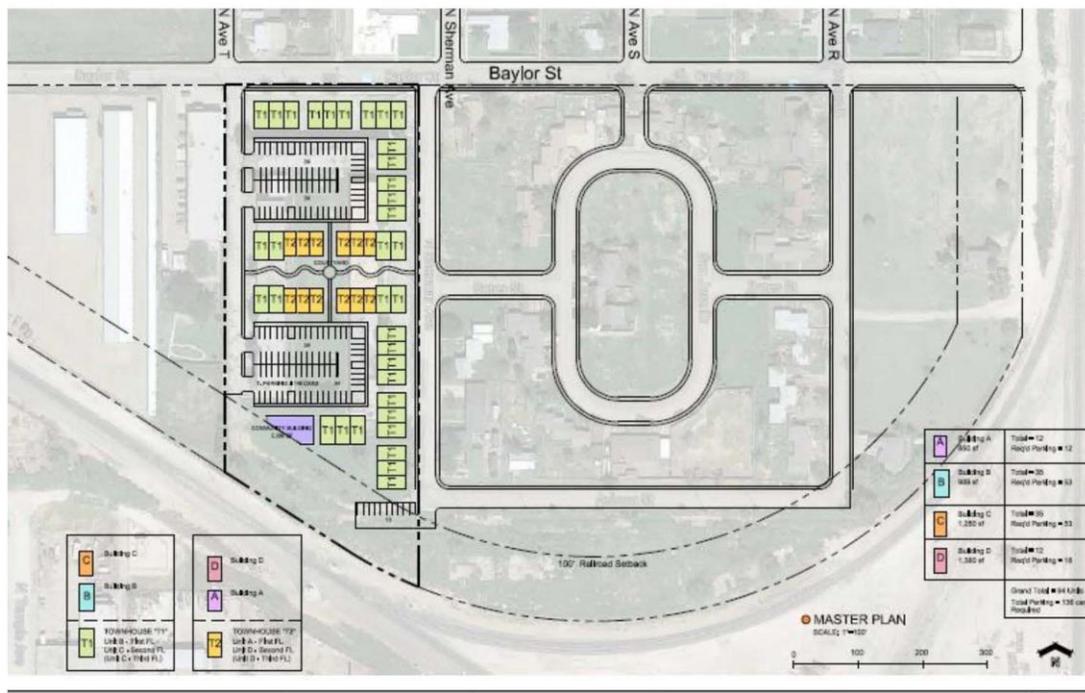
Mahon Villas—Phase I

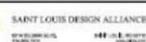
Development Team:

Development/Finance Partner:
**Bywater Development
 Group, LLC**



Mahon Villas—Phase I




Mahon Villas Phase I
 LUBBOCK, TEXAS

JAN 26, 2015 **1**





Partnerships & Outreach

Partnerships & Outreach

Over the past year, the NELCDC has worked to improved its outreach and community presence. As a result of this effort, the NELCDC has become an active member of the East Lubbock Community Alliance and has cultivated strong partnerships with ELPN, the Bridge of Lubbock, Habitat for Humanity, and is working to forge an even stronger relationships with Lubbock United Neighborhood Association (LUNA) to help improve the organization's connectivity with neighborhoods in north and east Lubbock.

NELCDC has also begun to establish a strong partnership and referral base within home-buying professional realms. As shown in some of our photographed activities such as the *Group Education Participation, Referral Partner's Luncheon, and the Own Your Own Home Resource Fair*, the NELCDC has partnered with City Bank, BBVA Compass Bank, Prosperity Bank, First United Bank, Prime West, Legal Aid as well as other entities to help bolster every aspect of the NELCDC's homeownership program. The NELCDC is striving to bring realtors, insurance agents, and builders, into a permanent partnership with the NELCDC to ensure we are arming our clientele with the best information possible as they work to realize their dream of homeownership.

The work performed by the NELCDC is hard at times but it is also a labor of love. The NELCDC recognizes our successes are due large in part to our partnerships and relationships with other organizations and entities and we are very grateful for the ongoing support from our partners!

Please note some of the NELCDC's partnership and outreach activities throughout this year:

NELCDC Presents to LULAC



On July 30, 2015 the NELCDC presented to the LULAC Council #263. As mentioned in the volunteer program section of this report, the NELCDC is working to forge lasting relationships with League of United Latin American Citizens (LULAC), Hispanic Association of Women (HAW) and UMI (Unidos Por Un Mismo Idioma). These organizations are great networks to help the NELCDC overcome language barriers and facilitate better outreach to the Hispanic community in north and east Lubbock. Thus far, LULAC and UMI have been instrumental in meeting the NELCDC's interpretation and document translations needs.

NELCDC Supports Habitat for Humanity Blessing of the Slab

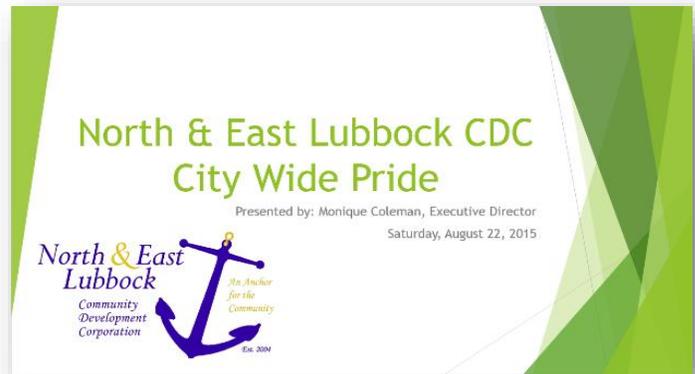
On August 15, 2015 the NELCDC attended the blessing of the slab for a new Habitat for Humanity homeowner at 7406 Ivory. The NELCDC is a proud partner of Habitat for Humanity and was very excited to attend this very special occasion for a first-time home-buying family, which was a resounding representation of the dream of homeownership becoming a reality.

[Table of Contents](#)



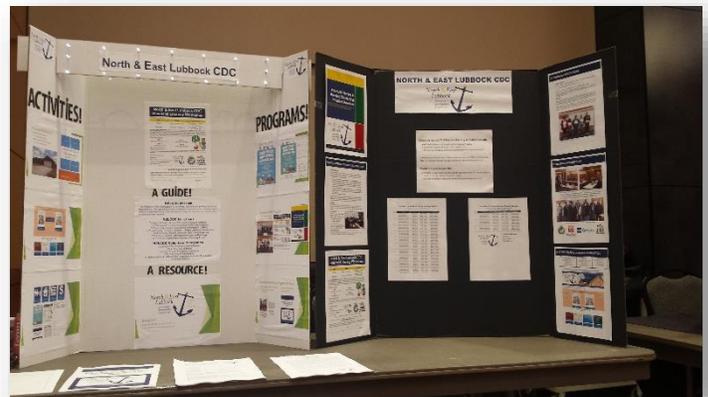
NELCDC Presents to City Wide Pride

The NELCDC gave a presentation to City Wide Pride on August 22, 2015. The presentation was provided to the committee as one of their monthly meetings at *The Legacy*. The group was excited to hear about the NELCDC's work efforts and programs and asked to be kept up-to-date on various activities. The NELCDC was appreciative of the engagement opportunity and welcomes future engagements with the City Wide Pride team!



NELCDC Attends TTU Volunteer Fair

On September 14, 2015, the NELCDC attended the Texas Tech University annual volunteer fair in the Student Union Building. The NELCDC attended this fair to promote its programs and services to the community and to expose university students to the various volunteer opportunities that are now available within the NELCDC. Over 11 students and organizations stopped by the booth to sign up and learn more about the NELCDC!



NELCDC Presents to the Lubbock Chamber of Commerce Board of Directors

On September 24, 2015, the NELCDC provided an update on the NELCDC's various activities, events, and new initiatives to the Lubbock Chamber of Commerce Board of Directors. Audience members asked questions about our target area, housing counseling program, and requested a final copy of the annual report so they can read about our year's activities and successes. These types of opportunities will help improve the corporation's exposure as well as forge lasting community relationships.



[Table of Contents](#)

ELPN-NELCDC-Habitat Partnership Host's First Own Your Own Home Resource Fair

In partnership with the East Lubbock Promise Neighborhood (ELPN Team) and Habitat for Humanity the NELCDC co-hosted the first "Own Your Own Home" resource fair at the Bridge of Lubbock on Saturday, September 26, 2015. The hosting partnership is proud to boast an effective event, with a room of prospective homebuyers. In addition to featuring the hosting entities Legal Aid (legal vendor), First United Bank (lending vendor), and Exit Realty (real estate vendor) attended the event to offer expert advise to the fair attendees about their prospective roles in the homeownership process. 26 residents and vendors attended the first resource fair at the Bridge of Lubbock!

[Table of Contents](#)



OWN YOUR OWN HOME RESOURCE FAIR

Saturday, September 26, 2015
11am - 2pm
The Bridge of Lubbock
1301 E Redbud

Pre-register online at www.nelcdc.org
Walk-ins are welcomed! Seating is limited!
Lunch is provided!



Parkway Place

Parkway Place

The North & East Lubbock CDC is a 501c3 non-profit corporation. The NELCDC owns outright, a for-profit entity known as North and East Lubbock Investment, Inc. (NELI, Inc.), which owns 35% of Parkway Place Lubbock, LLC. As such, the NELCDC is responsible for the management and oversight of Parkway Place Lubbock, LLC. Management and oversight include but is not limited to lease oversight and enforcement, payables and lease income receivables from the property tenants, maintenance and repairs, and working to finish out the leasing of the vacant tenant space. More than 80% of Parkway Place is now leased; staff will continue to work toward full occupancy. In October 2014, the U.S. Renal Dialysis Center of Lubbock leased 7,100 s.f. at the Parkway Place Plaza located east of the McKenzie shopping plaza (east of the Parkway Drive and MLK Blvd. intersection).



In July 2015, the NELCDC held a open house at the new dialysis center (pictured above). The event was designed to invite the public in to tour the facility and to increase awareness. The NELCDC plans to facilitate more events in the future in hopes of generating more activity and interest at the Parkway Place Plaza.

As has been previously communicated throughout this past year, the NELCDC established NELI, Inc., a for-profit entity, in 2008 as a way to allow for the pursuit and facilitation of business endeavors that would help the NELCDC become self-sustaining. While the endeavor was well-conceived, the anticipated outcome did not come to fruition at the time. Furthermore, market challenges present obstacles when great leasing opportunities arise. Although federal funding [a \$300,000 grant from the US Department of Health and Human Services awarded on October 19, 2006] along with private investment was used to kick-off the parkway place project, additional federal funding may be a viable option for finishing the interior build-out in Parkway Place, which will like spur efforts towards full occupancy. Despite efforts underway, it is highly likely the NELCDC will need to continue to pursue funding support from various sources to sustain its operation.

[Table of Contents](#)

Lessons Learned

Lessons Learned

Over the past year, NELCC has learned many important lessons. Understanding the balance of the many intricate details that must be managed in an effort to properly run this organization has been a well-received lesson. The many lessons notwithstanding, there are three (3) areas that stood out the most in terms of areas where the organization has learned the most valuable lessons from which to build a stronger future:

1. Board Involvement
 2. Administrative Processes
 3. Housing Counseling Services
-
1. Gaining board involvement has made a tremendous difference in the organization's success over the past year. In light of the substantial growth and changes experienced by the NELCDC, progress and the ability to overcome challenges would not have been possible but for the fact of board involvement. Likewise, the board members taking on a more proactive role to advise and guide NELCDC management and staff at the monthly board meetings and work with staff between each board meeting has made a tremendous difference. We are now meeting our challenges, successes, and shortcomings together, as a team.
 2. Regardless of preconceived notions regarding excessive procedural implementation, NELCDC management believes administrative processes are the foundation of fiscally and programmatically strong organization. Administrative practices drive how the day-to-day happens, how it flows, how problems are solved, how business is handled, and most importantly administrative processes provide a mechanism for the growth and evolution of a business. Processes provide a pathway from one point to the next as well as a vision, a direction. While the organization began with a good foundation, after a decade, many practices needed to be updated with a fresh perspective and a revived energy. NELCDC management is confident the time spent over the past year will set the organization on a path for success for years to come. Now that a road map has been established, the NELCDC team plans to use that map to find future successes.
 3. Housing counseling has been referred to as the NELCDC's "bread and butter" or often times low-hanging fruit. NELCDC management agrees with these statements but general speaking feels housing counseling represents the vitality of the organization and most importantly the organization's premier mechanism for community outreach and financial literacy education. The NELCDC has always provided housing counseling but over the past year, staff has worked meticulously to implement program changes to provide services, which are directly and indirectly connected to performance measures stated as outcomes in the housing counseling program budget; simply put we are now answering the question: are we using the resources provided to serve clients as we stated we would? The new use of performance measures, coupled with methodical policies and procedures, as well as the use of a client management monitoring system now provides a measure of accountability that may not have been prevalent in previous years. Likewise, publishing the standards, reporting requirements, and methods of functioning as reported to HUD on a quarterly and annual basis also demonstrates a renewed sense of accountability and responsibility to NELCDC clientele and the community at-large.

[Table of Contents](#)

Financial Report

Annual Financial Report

Income

The NELCDC obtained a Chapter 380.002 economic development agreement from the City of Lubbock in the form of a grant management agreement on April 9, 2015 for the 14-15 fiscal year. While the Chapter 380 grant was awarded, other potential income streams such as the annual Community Champions fundraiser, advertisement from e-Newsletter ads, board contributions, and the anticipated number of lot sales in King's Dominion did not come to fruition. One major concern expressed to the NELCDC over the past fiscal year was financial self-sufficiency. While strides were made to obtain additional funding many challenges and discovered program deficiencies made additional fund raising difficult and virtually impossible over the past year; however, now that many obstacles have been removed, the NELCDC has much more confidence in the area of funding-raising for the upcoming 15-16 fiscal year. As has been expressed in the previous sections of this report, many policies, procedures, programs, and generally speaking programmatic infrastructure have been implemented and put into place to address many of the hindrances that appeared to be stifling the NELCDC's efforts to diversify its income stream. With more efficient programs and stronger, more effective administrative processes, the NELCDC anticipates seeing stronger outcomes and increased funds raised over the next fiscal year.

Expenses

Please note each bullet below represents a cost accounting line item in the approved FY 14-15 budget. Each line describes what was budgeted and what was expended. If there is an excess or an anomaly, a brief explanation is provided in an effort to help readers understand the nature and purpose for the expense. Now that new financial management policies and procedures were used this fiscal year, a more concise budget forecast is probable and will be forthcoming soon, following the completion of the NELCDC's completed FY 14-15 audit. All year-end documents were turned over to the auditors on October 13, 2015.

- The NELCDC budgeted \$6,100 for administration (governance & management); At year-end, the NELCDC expended \$5,696.91.
- The NELCDC budgeted \$21,300 for health benefits; at year-end, the NELCDC expended \$11,378.55. Each NELCDC employee receives a \$550/month allocation. Due to funding constraints, NELCDC management implemented an employee cost sharing matrix, which now requires NELCDC staff to pay 25% of health benefits and 33% of dental and vision benefits via a payroll deduction. As a result of these changes, one of the three NELCDC employees opted to use outside insurance to gain more competitive family insurance. Therefore, the anticipated overall benefits expense was significantly reduced.
- The NELCDC budgeted \$22,000 for professional development & training; At year-end, the NELCDC expended \$3,361.84. The reduced expense can be attributed to the Executive Director receiving a scholarship for housing counseling training in Los Angeles, CA. Additionally, housing counselors are only required to re-certify every three (3) years and the hours needed by one staff member was obtained, for free and online. NELCDC discovered many NeighborWorks classes and long-distance training institutes offer at least one scholarship per non-profit entity or HUD-certified housing counseling agency per calendar year. The NELCDC plans to capitalize on these features to keep training costs down.
- The NELCDC budgeted \$1,450 for memberships and subscriptions. At year-end, the NELCDC expended \$1,034.24.
- The NELCDC budgeted \$33,443 for support (professional) services. Support services includes legal, accounting, and auditing services and bank fees. At year-end, the NELCDC expended \$82,197.76. This excessive expense is attributed to the NELCDC

legal conducting an internal investigation to look into matters of the misappropriation of funds. Likewise, legal service fees were accrued during the process of fielding multiple public information requests and attorney general opinions. Lastly, the three-year audit was \$7,500/year; the overage was due to additional investigative services provided during the audit, which were associated with matters relating to the internal investigation.

- The NELCDC budgeted \$5,050 for contractual services. At year-end, the NELCDC expended \$5,439.03.
- The NELCDC budgeted \$6,600 for office operational expenses. At year-end, the NELCDC expended \$8,521.80. The overage can be attributed to the mother-board corrupting on the previous administrative assistants' computer, which required the purchasing of a new computer in May/June 2015. Additionally, the NELCDC switched its phone carrier from AT&T to Suddenlink and bundled its services to save money and establish an independent network separate from the Lubbock Housing Authority. The switching/cancelling caused a few months' expenses for phone service to be higher than normal. Also, there are a few ancillary charges that are applied to supplies. A more definitive line item will be provided in the next fiscal year's budget proposal to segregate out computer supplies and general office supply purchases.
- The NELCDC budgeted \$22,264 housing/credit counseling. At year-end, the NELCDC expended \$19,674.22.
- The NELCDC budgeted \$40,000 to service its Western Bank construction loan. At year-end, the NELCDC expended \$15,974.82 toward interest on this debt service. Please refer to the balance sheet below for more information.
- The NELCDC budgeted \$8,500 for the community champions fundraiser. The fundraiser was not held in the 14-15 fiscal year. The expenses shown were expenses paid after October 1, 2014 for the September 2014 fundraiser event.
- The NELCDC budgeted \$2,950 for donations. At year-end, the NELCDC expended \$200 from the NELCDC discretionary account (not the city grant fund account). Other donations were made via North & East Lubbock Investment, Inc.
- The NELCDC did not budget for the development of a home in King's Dominion. The NELCDC had \$85,000 in HOME money to build a house in King's Dominion at the beginning of the 14-15 fiscal year. The City of Lubbock Community Development Department allocated an additional \$60,000 in HOME funds to allow the NELCDC to construct the new home at 1822 E. Harvard St. The income and expenses line item shown for King's Dominion was later added to the NELCDC chart of accounts to properly account for this expense. The line item 5202 was added to account for mowing and pest control services in King's Dominion. These fees were paid with NELCDC discretionary funds; city grant funds (Chapter 380 grant funds) are not used to pay these expenses. Overall, including reimbursable expenses (line 5201) and line 5202 maintenance, at year-end, the NELCDC expended \$126,693.40.
- Due to delayed funding for the 14-15 fiscal year, the NELCDC was not able to implement the Adopt-a-Spot program in this fiscal year. However, the NELCDC is working with its partners (Habitat for Humanity and LUNA) to coordinate a phase two project to take place in Dunbar-Manhattan Heights in October 2015 (the beginning of the next fiscal year). The process will be used as a pilot for all future adopt-a-spot revitalization initiatives.
- *All personnel expenses (payroll) are straight-forward and consistent so these line items were not itemized or explained in this report.*

Please review this year's profit & loss statement and balance sheet on the following pages. Questions about the contents of this report? Please contact, Monique Coleman, NELCDC Executive Director at (806) 747-1505 or monique@nelcdc.org or mc_nelcdc@outlook.com

[Back to Table of Contents](#)

North & East Lubbock CDC
Profit & Loss
 October 2014 through September 2015

Oct '14 - Sep 15

Income

4001 · Sec. 380 GMA City of Lubbock	342,485.00
4002 · Community Champion Awards Lunch	8,000.00
4006 · CHDO Reimbursement	126,745.00
4100 · Interest Income	61.61
4101 · Scholarships and Refunds	918.43

Total Income	478,210.04
---------------------	-------------------

Gross Profit	478,210.04
---------------------	-------------------

Expense

5000 · Administration (Gov & Mgt)	
5001 · Board Meeting Expense	1,485.50
5002 · Training & Strategic Planning	285.50
5003 · D&O and Liability Insurance	3,348.00
5004 · Administrative Services	577.91
Total 5000 · Administration (Gov & Mgt)	5,696.91

5010 · Personnel (Salaries, Tax, Auto)	
5011 · Executive Director	58,905.90
5012 · Program Manager	14,601.18
5013 · Administrative Assistant	15,342.55
5014 · Payroll Taxes	10,884.72
5015 · Car Allowance	1,271.69
Total 5010 · Personnel (Salaries, Tax, Auto)	101,006.04

5020 · Health Benefits	
5021 · Executive Director	5,397.44
5022 · Program Manager + Spouse	1,514.20
5023 · Administrative Assistant	3,918.03
5024 · Dental & Vision Admin Fee	548.88
Total 5020 · Health Benefits	11,378.55

5030 · Professional Dev. & Training	
5031 · NeighborWorks Training	537.09
5033 · TX Assoc. of CDC	834.02
5034 · Other Training (unplanned)	1,990.73
Total 5030 · Professional Dev. & Training	3,361.84

5040 · Memberships	
5041 · TACDC	250.00
5042 · Lubbock Chamber of Commerce	309.00
5043 · Neighborhoods, USA	150.00
5045 · Misc. Membership Requests	150.00
5046 · AJ Subscription	175.24
Total 5040 · Memberships	1,034.24

**North & East Lubbock CDC
 Profit & Loss
 October 2014 through September 2015**

Oct '14 - Sep 15

5050 · Support (Professional) Services	
5051 · Legal Services	51,013.55
5052 · Accounting Services	5,631.25
5053 · Auditing Services	24,785.01
5054 · Bank Fees	767.95
Total 5050 · Support (Professional) Services	82,197.76
5060 · Contractual Services	
5061 · Marlin Services	3,341.94
5062 · Benckmark	1,442.84
5063 · Website Developer Services	654.25
Total 5060 · Contractual Services	5,439.03
5070 · Office Operational Expenses	
5071 · Supplies	3,627.25
5072 · Postage	332.47
5073 · Printing Services	69.50
5074 · Phone (AT&T)	3,811.38
5075 · Network Services	681.20
Total 5070 · Office Operational Expenses	8,521.80
5080 · Housing/Credit Counseling	
5081 · Staff-time (Housing Counselor)	14,560.08
5082 · Supplies & Postage	251.93
5083 · Counselor Max	1,261.20
5084 · Financial Literacy Training	101.01
5085 · Contract Labor (HUD-counselor)	3,500.00
Total 5080 · Housing/Credit Counseling	19,674.22
5140 · Loan Payments	
5141 · Western National Bank	15,974.82
Total 5140 · Loan Payments	15,974.82
5150 · CCA Fundraiser Expenses	
5151 · Banquet Facility	128.70
5152 · Postage, Printing & Marketing	248.93
Total 5150 · CCA Fundraiser Expenses	377.63
5160 · Donations	
5164 · Faith First Church	200.00
Total 5160 · Donations	200.00
5200 · King's Dominion	
5201 · CHDO	119,702.00
5202 · Maintenance	6,991.40
Total 5200 · King's Dominion	126,693.40

North & East Lubbock CDC
Profit & Loss
October 2014 through September 2015

Oct '14 - Sep 15

6000 · Personnel (Salaries & Taxes)	
6001 · Executive Director	19,622.80
6002 · Administrative Assistant	4,847.50
Total 6000 · Personnel (Salaries & Taxes)	<u>24,470.30</u>
6030 · Housing/Credit Counseling-2	
6031 · Staff-time (Housing Counselor)	14,560.08
Total 6030 · Housing/Credit Counseling-2	<u>14,560.08</u>
Total Expense	<u>420,586.62</u>
Net Income	<u>57,623.42</u>

North & East Lubbock CDC Balance Sheet

As of September 30, 2015

Sep 30, 15

Comments

ASSETS

Current Assets

Checking/Savings

1000 - Prosperity Operating XXX9431	3,927.09	9-30-15 cash bal in discretionary acct.
1001 - Prosperity Payroll XXX9351	67,567.04	9-30-15 cash bal in payroll acct.
1002 - Prosperity Micro XXXX2985	399.85	9-30-15 cash bal in micro savings acct.
1003 - Prosperity Savings XXX5912	1,634.75	9-30-15 cash bal in savings acct.
1005 - Prosperity-City Fund XXXXX1068	<u>140,864.00</u>	9-30-15 cash bal in city grant fund acct.

Total Checking/Savings 214,392.73 *Total NELCDC cash flow*

Other Current Assets

1100 - Due from Parkway Place	709.27	<i>Fees PWP owned NELCDC discretionary acct for mainly property taxes</i>
1110 - Due from NELI, Inc.	7,201.19	<i>Money transferred from NELCDC discretionary acct. to NELI acct.</i>
1200 - Accounts Receivable - EE	<u>37,155.05</u>	<i>Potential insurance claim receivable</i>

Total Other Current Assets 45,065.51

Total Current Assets 259,458.24

Fixed Assets

1700 - Equipment	26,032.00
1710 - Accumulated Depreciation	<u>-19,829.65</u>

Total Fixed Assets 6,202.35

Other Assets

1500 - Investment in NELI	785,630.05	<i>NELI, Inc. 35% interest in Parkway Place. NELI's investment in Parkway Place is NELI's sole asset, other than cash flow.</i>
1600 - King's Dominion Land	181,779.84	
1610 - King's Dominion Land - Res Lot	<u>63,025.05</u>	

Total Other Assets 1,030,434.94

TOTAL ASSETS 1,296,095.53

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Credit Cards

2005 - Prosperity MasterCard 7066	748.24
-----------------------------------	--------

September balance at 10-13-15 reconciliation. Bal to be paid in full via check #1086 on 10-13-15. Throughout the 14-15 fiscal year, all credit card statements have been reconciled by the NELCDC's accountant. Each credit card statement reconciliation consisted of each charge being paired with a purchase request form as specified in the NELCDC's adopted financial management policies and procedures. Each expenditure is assigned to the appropriate cost account.

Total Credit Cards 748.24

Other Current Liabilities

2310 - Other Payroll Liabilities	2,124.43
----------------------------------	----------

This was a payroll liability was identified during the FY 13-14 audit. The source will be ascertained before it is reconciled and/or removed from the balance sheet.

Total Other Current Liabilities 2,124.43

Total Current Liabilities 2,872.67

North & East Lubbock CDC Balance Sheet

As of September 30, 2015

	<u>Sep 30, 15</u>	Comments
Long Term Liabilities		
2100 - Western Bank Loan	240,539.62	During the FY 14-15 fiscal year, the NELCDC paid a total \$38,857.20 towards the western bank loan. In error, NELCDC management showed the full expenditure on the P&L statement in the previous three quarterly reports. Now shown correctly, the amount shown left reflects the current bank loan balance as of September 30, 2015 and the P&L now only reflects the interest paid in the amount of \$15,974.82.
Total Long Term Liabilities	<u>240,539.62</u>	
Total Liabilities	<u>243,412.29</u>	
Equity		
3000 - Fund Balance	995,059.82	The difference of gross profits and total expenses as shown on the P&L.
Net Income	<u>57,623.42</u>	
Total Equity	<u>1,052,683.24</u>	
TOTAL LIABILITIES & EQUITY	<u><u>1,296,095.53</u></u>	