

**SHERMAN ECONOMIC DEVELOPMENT CORPORATION
MINUTES OF THE BOARD OF DIRECTORS
ON FEBRUARY 13, 2024
AT 11:30 A.M.**

A meeting of the Sherman Economic Development Corporation Board of Directors was convened in the SEDCO Board Room, 307 W. Washington St, Ste 102, Sherman, Texas on February 13, 2024, at 11:30 a.m.

MEMBERS PRESENT: Mrs. Janie Bates, Mr. Scott Bandemir, Mr. Jason Brumm, Dr. Al Hambrick, Ms. Gail Utter

MEMBERS ABSENT: None

EX OFFICIO Mr. Robby Hefton, Mr. Juston Dobbs, Dr. Tyson Bennett, Mr. MEMBERS PRESENT: Terrence Steele

STAFF PRESENT: Mr. Kent Sharp, Mrs. Ashton Bellows, Mrs. Shannon Blake, Ms. April Day, Ms. Akshaya Saravanan

STAFF ABSENT: None

GUESTS PRESENT: Mr. Jeff Moore, Mr. Willie Steele, Mrs. Robin Phillips, Mrs. Mary Lawrence

CALL TO ORDER, QUORUM DETERMINED, MEETING DECLARED OPEN, RECOGNITION OF GUESTS, INVOCATION

Mrs. Bates called the meeting to order at 11:32 a.m., declared a quorum present, meeting declared open. She welcomed guest, Mrs. Phillips, to the meeting.

The invocation was given by Mr. Sharp.

PUBLIC COMMENTS

There were no public comments.

DISCUSS AND CONSIDER APPROVAL OF THE FOLLOWING MINUTES

Motion was made by Mr. Bandemir and seconded by Ms. Utter to approve the Regular Scheduled Meeting Minutes of January 9, 2024. Motion was approved unanimously.

DISCUSS AND CONSIDER APPROVAL OF THE FOLLOWING FINANCIAL REPORTS

Mr. Sharp presented the Balance Sheet, Budget Report, Anomalies, and Commitments for the month ending December 31, 2023, and reported the following:

- Cash – SEDCO Checking: \$6,527,932.56
- Accounts Payable: \$10,873.69
- Accounts Payable (Indirect): \$47,797.95
- Fund Balance: \$ 21,598,675.27

- Revenues Over/Under Expenses: \$1,460,021.87
- Total Liabilities, Equity and Current Surplus (Deficit): \$23,498,271.57
- Revenue Total: \$655,980.85
- Expense Total: \$483,550.13

On the Anomalies Report, Mr. Sharp noted that Retirement was recorded as 84.04% used due to the Record Liability for 457f Compensation Plan; Hospitality increased to 69.74% used due to reimbursement to Downtown Sherman NOW for the Douglass Family Appreciation Event Supplies; Dues & Licenses increased to 57.73% used due to payment of the Dallas Regional Chamber Membership Renewal and Amazon Prime Annual Subscription; Other Services and Charges increased to 26.71% used due to the annual fees for Agenda Quick and Golden Shovel, payment to Austin College for 2024 RISE Challenge services, city services and banks fees, document shredding services, and a protection plan for uplights; and Land Maintenance increased to 26.4% used due to Progress Park mowing and TXU energy services.

Mr. Sharp noted that a budget amendment may be necessary to account for the Record Liability for 457f Compensation Plan within the Retirement account. Mr. Hefton commented that an amendment may not be necessary due to the overall budget amount remaining the same.

On the Commitments Report, Mr. Sharp noted that no incentive payments were made in December, and the total Paid YTD was \$351,614.

Mr. Hefton requested permission for the city crew to remove the 903 Brewers sign from the approx. 11-acre site in Progress Park I. It was agreed to move forward with removal of the sign.

Motion was made by Ms. Utter and seconded by Dr. Hambrick to approve the financial reports for the month ending December 31, 2023. Motion was approved unanimously.

Mrs. Lawrence presented the investment report for the quarter ending December 31, 2023 and reported the portfolio book value and market value were approximately \$16.9 million. Of this amount, \$10.8 million was held in a Local Government Investment Pool (LGIP) and \$6.1 million was held in Certificates of Deposit (CD). Activity during the quarter included interest earned on the investments. The weighted average yield on the portfolio was 5.17%, 23 basis points below the three-month Constant Maturity Treasury Index of 5.40%, and 17 basis points above the previous quarter. The weighted average maturity for the portfolio increased from 38 days at September 30, 2023, to 120 days at December 31, 2023.

Ms. Utter asked Mrs. Lawrence about the frequency of the account sweeps and about extending the length of the CD investments in order to secure a higher interest rate for a better, long-term yield. Mrs. Lawrence indicated that the accounts are now able to be swept daily, and she will shop interest rates.

Motion was made by Ms. Utter and seconded by Mr. Bandemir to approve the investment report for the month ending December 31, 2023. Motion was approved unanimously.

SALES TAX AND ECONOMIC BAROMETER REPORTS

Mr. Sharp reported a 3.41% cumulative year-to-date sales tax for the month of February.

Mrs. Bellows presented the January 2024 Economic Barometer Report and reported the following:

1. New residential permits were up approx. 186% compared to January 2023. There was one new multi-family permit for the Residences of Sherman, a 15-building, 291-unit complex at 4601 N. Travis Street. Commercial and industrial permits were up approx. 58% compared to this time last year. The most notable permit was for a self-storage facility at 324 Laurel Ridge valued at \$2.75 Million.
2. The city is up 344 water customers from last January and up 31 customers from last month.
3. Sales tax increased approx. 0.62% compared to January 2023.
4. Grayson County's months supply of housing inventory was 4 months in December, down from 4.3 months in November.
5. Sherman's unemployment was 3.3% in December, down from 3.4% in November.

DISCUSS AND CONSIDER APPROVAL OF RESOLUTION NO. SEDCO-2024.04 (SEDCO BYLAWS AMENDMENT)

Approving an Amendment to the Bylaws of the Sherman Economic Development Corporation to provide for a seven (7) member board serving three (3) – three (3) year terms and provide that all board members must reside within the city limits of Sherman or the extraterritorial jurisdiction (“ETJ”) of the City of Sherman during the term of appointment to the Board.

Motion to approve Resolution No. SEDCO-2024.04 was made by Mr. Brumm and seconded by Ms. Utter. Motion was approved unanimously.

EXECUTIVE SESSION

The Sherman Economic Development Corporation held an Executive Session pursuant to the provisions of the Open Meetings Law, Chapter 551, Government Code, Vernon's Texas Code Annotated, in accordance with the authority contained in the following sections:

- a. 551.071 (Consultation with Attorney)
- b. 551.072 (Deliberations about Real Property)
 1. Disposition and Acquisition
- c. 551.074 (Personnel Matters)
- d. 551.087 (Business Prospect/Economic Development)
 1. Wrap, EZ, CT, Lasso RFI, Vulcan, Signal Site, Ice House, Chestnut King, Dragon Fire, PQD 2024

The open meeting recessed in executive session at 11:45 a.m.

RECONVENE OPEN MEETING AND CONSIDER APPROVAL OF THE ITEMS DISCUSSED IN EXECUTIVE SESSION

Mrs. Bates reconvened the open meeting at 11:59 a.m.

CONSIDER APPROVAL OF RESOLUTION NO. SEDCO-2024.03 (PROJECT PQD 2024)

A resolution authorizing a \$50,000 SEDCO Small Business Development Grant for P.Q.D. International, Inc. The company will expand their current capabilities for their metal tube and pipe fabrication services, retaining 16 jobs and creating an additional three jobs. The project, totaling an est. \$600,000, includes the purchase of a CNC tube bending machine to increase manufacturing capacity and a laser tube cutting machine to provide services that aren't currently available.

Motion to approve Resolution No. SEDCO-2024.03 was made by Mr. Bandemir and seconded by Ms.

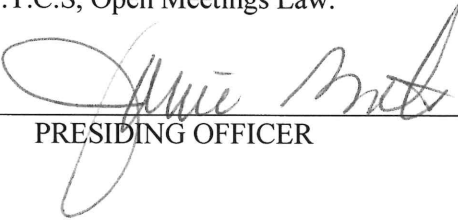
Utter. Motion was approved unanimously.

ADJOURNMENT

The meeting was adjourned at 12:00 p.m.

CERTIFICATION OF PRESIDING OFFICER

I, Janie Bates, Presiding Officer, do certify that these minutes of the Regular Scheduled Board Meeting of the Sherman Economic Development Corporation of the City of Sherman, Texas are a true and correct record of the proceedings with Chapter 551, Govt. Code, V.T.C.S, Open Meetings Law.



PRESIDING OFFICER