

**SHERMAN ECONOMIC DEVELOPMENT CORPORATION
MINUTES OF THE BOARD OF DIRECTORS
ON AUGUST 11, 2020
AT 11:30 A.M.**

A meeting of the Sherman Economic Development Corporation Board of Directors was convened in the Council Chambers of City Hall, 220 West Mulberry Street, Sherman, Texas on August 11, 2020 at 11:30 a.m.

MEMBERS PRESENT: Mrs. Janie Bates, Mr. Scott Bandemir, Mr. Daniel Worrell, Ms. Gail Utter

MEMBERS ABSENT: Mr. Jason Brumm

EX OFFICIO MEMBERS
PRESENT: Mayor David Plyler

EX OFFICIO MEMBERS
ABSENT: Dr. David Hicks, Mr. Robby Hefton, Mr. Willie Steele, Mr. Shawn Teamann

STAFF PRESENT: Mr. Kent Sharp, Ms. Ashton Ghaemi, Ms. Dondra Kendall, Ms. Anna Long

STAFF ABSENT: None

GUESTS PRESENT: Mr. Terrence Steele, Mr. Jeff Moore, Ms. Mary Lawrence

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

Mrs. Bates called the meeting to order at 11:33 a.m., declared a quorum present, meeting declared open. The invocation was given by Mr. Sharp.

PUBLIC COMMENTS

There were no public comments.

CONSIDER APPROVAL OF THE FOLLOWING MINUTES

Motion was made by Ms. Utter and seconded by Mr. Bandemir approve the Regular Scheduled Board Meeting minutes of July 14, 2020. Motion was approved unanimously.

CONSIDER APPROVAL OF THE FOLLOWING FINANCIAL REPORTS

Mr. Sharp presented the Balance Sheet, Budget Report, and Commitments for month ending June 30, 2020 and reported the following:

- Cash – SEDCO Checking: \$2,622,182.71
- Accounts Payable: \$2,901.15
- Fund Balance: \$11,429,155.22
- Revenues Over/Under Expenses: \$925,621.28
- Total Equity and Current Surplus (Deficit): \$12,354,776.50
- Revenue Total is 77.58% used and should be around 75% at this point in the fiscal year.
- Expense total is 42.10% used.

Mr. Sharp said that the higher percentages have been explained in previous reports but noted the 96% for Other Services is the partnership with Workforce Solutions Texoma.

Mr. Sharp stated the Modula Power Solutions final incentive check was paid in June. He also noted the check to the City of Sherman for \$850,000 was paid last month and will show in next month's report.

Motion was made by Ms. Utter and seconded by Mr. Bandemir to approve the financial reports for the month ending June 30, 2020. Motion was approved unanimously.

Mrs. Lawrence presented the Investment Report for quarter ending June 30, 2020 and reported the following:

- The portfolio book value and market value was approximately \$9.5 million. Of this amount, \$3 million was held in a Local Government Investment Pool (LGIP), \$3.1 million was held in the Certificates of

Deposit (CD) and \$3.4 million was held in an FDIC insured investment account. During the quarter there were no investment maturities or purchases.

- The weighted average yield on the portfolio was 0.91%, 75 basis points above the three-month Constant Maturity Treasury Index of 0.16%, and 73 basis points below the previous quarter.
- The weighted average maturity of the portfolio decreased from 73 days at March 31, 2020 to 44 days at June 30, 2020.

Mrs. Lawrence stated that next month the investment policy will renew but she does not expect any significant change.

Motion was made by Mr. Bandemir and seconded by Ms. Utter to approve the Investment Report for the quarter ending June 30, 2020. Motion was approved unanimously.

SALES TAX AND ECONOMIC BAROMETER REPORTS

The Historical Sales Tax Report was not yet available for August, and the July numbers were presented at the last meeting.

Ms. Ghaemi presented the July 2020 Economic Barometer Report and reported the following:

- New residential permits saw an increase of over 137% from July 2019 and over 53% from the YTD. We had 9 commercial and industrial permits, matching this time last year; however, the YTD saw a 40% decrease.
- The city is up 23 utility customers from June and 451 customers from July 2019.
- Sales tax was up 3.59% compared to last July and up 1.61% from the YTD.
- June's months' supply of housing inventory for Grayson County was 3.4 months. A slight decrease from May's 3.7.
- Sherman's unemployment rate for June was 7.4%. Down from 10.1% in May.

Mrs. Bates stated that she hopes the unemployment numbers for July will show improvement. Mr. Terrence Steele asked when she thought people will be going back to work, and Mrs. Bates notes that 1,100 jobs are currently listed for the three counties but with the extra \$600 received for unemployment there is no incentive because many are receiving more money off work. Mr. Steele also asked about the State applied barriers to not taking available jobs. As stated by Mrs. Bates, the State removed all barriers and job requirements when COVID hit so until the entire state opens up, changes are not expected. Mr. Sharp asked if she believes the unemployment amount of \$600 or \$400 will go through the end of the year, and Mrs. Bates thinks that it might.

DISCUSS AND CONSIDER APPROVAL OF RESOLUTION NO. SEDCO-2020.06 (FY 2020-2021 BUDGET)

Mr. Sharp presented a revised Proposed FY 2020-2021 SEDCO Budget and noted the only change was to accommodate the \$845,000 paid to the City of Sherman for the West Travis Street infrastructure in the FY 2019-2020 budget. With this change, the Proposed Ending Balance for FY 2020-2021 was updated to \$10,402,023.

Mr. Sharp presented Resolution No. SEDCO-2020.06 which authorizes the approval of the FY 2020-2021 SEDCO Budget. Motion to approve Resolution No. SEDCO-2020.06 was made by Ms. Utter and seconded by Mr. Bandemir. Motion was approved unanimously.

DISCUSS AND CONSIDER APPROVAL OF RESOLUTION NO. SEDCO-2020.07 (FY 2020-2021 PROGRAM OF WORK)

Mr. Sharp stated the Program of Work has been presented to the Board each year. SEDCO has deleted any redundant language as listed in the goals and added two new goals: 1) Cultivate and fund an Entrepreneurial Program, and 2) Encourage Sherman minority-owned and women owned businesses. Ms. Utter asked if there is available information regarding a percentage of minority-owned and women-owned businesses. Mr. Sharp replied that SEDCO is trying to find a list or a number, but the information is very difficult to find and we need to learn more.

Mr. Sharp presented Resolution No. SEDCO-2020.07 which authorizes the approval of the FY 2020-2021 Program of Work. Motion to approve Resolution No. SEDCO-2020.07 was made by Mr. Worrell and seconded by Mr. Bandemir to approve. 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)
 1. Amended SEDCO Bylaws
- b) 551.072 (Deliberations about Real Property)
 1. Industrial Space
- c) 551.087 (Business Prospect/Economic Development)
 1. Blue Phoenix, Round 2, Augustus Gloop, Canvas, Eagle Aguila, Roo, LIV-LAP, Raptor 2020, Brady Bunch, Free Flow/Good Neighbor, Ice Water, Enterprise, Leaf, Pink, Radio, Ringmaster, Zep

The open meeting recessed in executive session at 11:47 a.m.

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

Mrs. Bates reconvened the open meeting at 12:21 p.m.

CONSIDER APPROVAL OF RESOLUTION NO. SEDCO-2020.08 (AMENDED SEDCO BYLAWS)

Mr. Sharp presented Resolution No. SEDCO-2020.08 which authorizes the approval of the Amended SEDCO Bylaws. Motion to approve Resolution No. SEDCO-2020.08 was made by Ms. Utter and seconded by Mr. Worrell. Motion was approved unanimously.

SEDCO ANNUAL EVENT ON SEPTEMBER 25, 2020

Mr. Sharp stated that SEDCO plans to host an Annual Event but did not want to stretch the budget, and if it had to be cancelled due to COVID-19, the cost would not be horrible. SEDCO has hired Bon Appetit Y'all for catering and will invite a panel of local Economic Developers to discuss what is happening in other communities. The Sherman Municipal Ballroom has been selected as the venue and allows 120 guests for the required social distancing. Ms. Ghaemi noted that as a back-up plan, the event could be broken into two smaller events.

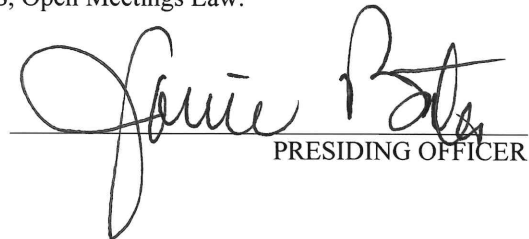
Mr. Steele suggested SEDCO use the Kidd-Key Auditorium for a larger venue and stated that the community is hungry for this type of event, because Denison does an annual event. Ms. Utter agreed that there is a need for an annual event, and since Kidd-Key holds up to 1,500 people, it may be better; however, the current numbers are too many for the Sherman Municipal Ballroom. She added that guests may not want to come if it is in close quarters. Mr. Sharp said he will reach out to some of the industries for their feedback.

ADJOURNMENT

The meeting was adjourned at 12:29 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