

**SHERMAN ECONOMIC DEVELOPMENT CORPORATION
MINUTES OF THE BOARD OF DIRECTORS
ON JANUARY 14, 2020
AT 11:30 A.M.**

A meeting of the Sherman Economic Development Corporation Board of Directors was convened in the SEDCO Board Room at 307 W. Washington Street, Suite 102, Sherman, Texas on January 14, 2020 at 11:30 A.M.

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

MEMBERS ABSENT: None

EX OFFICIO MEMBERS PRESENT: Mayor David Plyler, Mr. Shawn Teamann, Mr. Willie Steele, Mr. Robby Hefton

EX OFFICIO MEMBERS ABSENT: Dr. David Hicks

STAFF PRESENT: Mr. Kent Sharp, Mrs. Stacey Jones, Ms. Ashton Ghaemi, Mrs. Dondra Kendall

STAFF ABSENT: None

GUESTS PRESENT: Mr. Terrence Steele, Mr. Michael Hutchins

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

Mrs. Bates called the meeting to order at 11:31 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 Mr. Bandemir and seconded by Mr. Worrell to approve the Regular Scheduled Board Meeting minutes of December 10, 2019. Motion was approved unanimously.

CONSIDER APPROVAL OF THE FOLLOWING FINANCIAL REPORTS

Mr. Sharp presented the Balance Sheet, Budget Report, and Commitments for month ending November 30, 2019 and reported the following:

- Accounts Payable is \$8,557.62.
- Fund Balance is \$11,429,155.22.
- Total Liabilities, Equity and Current Surplus is \$11,808,000.81.
- Expenses total is 7.11% used.

Mr. Sharp also presented the new Budget Anomalies document to explain what looks like excess percentage in spending. Mrs. Kendall stated the rent was high based on pre-payment of one month to avoid late fees previously charged due to late payments, and the year-end adjustments will deduct the pre-paid amount.

Motion was made by Mr. Worrell and seconded by Mr. Brumm to approve the financial reports for the month ending November 30, 2019. Motion was approved unanimously.

SALES TAX AND ECONOMIC BAROMETER REPORTS

Mr. Sharp presented the Historical Sales Tax Report and reported the following:

- December 2019's payment was \$340,987.36, which is up 9.93% from December 2018 and 4.25% cumulative year-to-date.
- January 2020's payment was \$333,702.37, which is up 2.79% from January 2019 and 3.90% cumulative year-to-date.

Mrs. Jones presented the December 2019 Economic Barometer Report and reported the following:

- New residential permits are up substantially from this time last year. Overall new residential year to date is up almost 16%, with Commercial & Industrial permits up almost 20% year to date. There is a noticeable negative difference in the Commercial & Industrial permit value. The reason for the value spike in 2018 is the \$123 million permit to construct the new high school submitted on November 28, 2018.
- Sherman's Labor Force increased by 50 over last month, with the number of unemployed increasing by only 4. Unemployment remains at 3%.

CONSIDER APPROVAL OF RESOLUTION NO. SEDCO-2020.01

Mr. Sharp recommended the approval of Resolution No. SEDCO-2020.01 which authorizes an increase in the maximum amount of incentive award for the Buy Local Grant program from the current level of \$20,000.00 to the new level of \$50,000.00.

Ms. Utter asked if local industries had requested the increase. Mrs. Jones stated the existing industries appreciate the extra incentive, but the company may spend \$1 million locally but are capped at \$20,000.00. Mr. Teamann asked if a study had been done with the industries about how much we miss. Mr. Sharp said that is not something we can track. Mrs. Jones noted that not everything industries require can be purchased in Sherman. Mayor Plyler said the idea of the Buy Local Grant was to increase purchasing of things like electrical contractors, local contractors, etc. and gave the example of J.P. Hart Lumber Company. He said raising the grant to \$50,000.00 would encourage more local spending. Ms. Utter asked how companies know the grant exists. Mr. Sharp explained that it is part of their performance agreement. Ms. Utter asked if this applies only to SEDCO projects. Mrs. Jones replied that it is part of the proposal for new projects. Mr. Teamann asked how many companies take advantage of the grant. Mr. Sharp said all of them.

Motion to approve Resolution No. SEDCO-2020.01 was made by Ms. Utter and seconded by Mr. Bandemir. Motion was approved unanimously.

EXECUTIVE SESSION

The Sherman Economic Development Corporation will hold 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:

- 551.071 (Consultation with Attorney)
- 551.072 (Deliberations about Real Property) – Progress Drive Extension, Box, Twist
- 551.074 (Personnel Matters)
- 551.087 (Business Prospect/Economic Development) – Blue Phoenix, Candy Cane

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

RECONVENE OPEN MEETING AND CONSIDER ITEMS DISCUSSED IN EXECUTIVE SESSION

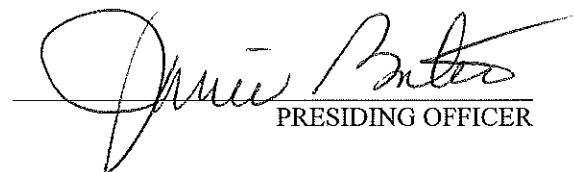
Mrs. Bates reconvened the open meeting at 12:17 p.m. No executive session items were considered.

ADJOURNMENT

The meeting was adjourned at 12:18 p.m.

CERTIFICATION OF PRESIDING OFFICER

I, JAMIE 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