

**SHERMAN ECONOMIC DEVELOPMENT CORPORATION
MINUTES OF THE BOARD OF DIRECTORS
ON JANUARY 9, 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 January 9, 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 Mayor David Plyler, Mr. Robby Hefton, Mr. Juston Dobbs, Mr. Shawn
MEMBERS PRESENT: Teamann, Dr. Tyson Bennett, Mr. 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. Michael Hutchins, Mr. Willie Steele

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

Mrs. Bates called the meeting to order at 11:30 a.m., declared a quorum present, meeting declared open. She welcomed guest Mr. Steele and Ex-Officio Member Mr. Dobbs 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 December 12, 2023. 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 November 30, 2023, and reported the following:

- Cash – SEDCO Checking: \$ 5,972,822.79
- Accounts Payable: \$ 12,981.57
- Fund Balance: \$ 21,598,675.27
- Revenues Over/Under Expenses: \$ 1,287,591.15
- Total Liabilities, Equity and Current Surplus (Deficit): \$ 22,931,747.99
- Revenue Total: \$639,270.02

- Expense Total: \$104,073.14

On the Anomalies Report, Mr. Sharp noted that Worker's Compensation was recorded as 133.4% used due to the annual lump sum payment for coverage; Overtime increased to 62.13% used due to overtime worked by Ms. Day for Trick or Treat on Travis Street; Other Supplies increased to 63.63% used due to payment of the annual Adobe subscription, Notary Stamp and Logbook for April; Hospitality increased to 30.9% used due to a plaque purchased in recognition of appreciation for the Douglass Family, and the purchase of Christmas cards; Building Repair & Maintenance increased to 100% used due to the cost of painting the SEDCO office interior; Insurance increased to 93.1% used due to the annual lump sum payment for coverage; and Dues & Licenses increased to 46.1% used due to TEDC Annual Membership Renewal for Mrs. Bellows and payment of the annual Texas Association of Business Membership.

On the Commitments Report, Mr. Sharp noted that no commitments have been paid to date for the 2023-2024 fiscal year.

Motion was made by Ms. Utter and seconded by Mr. Brumm to approve the financial reports for the month ending November 30, 2023. Motion was approved unanimously.

SALES TAX AND ECONOMIC BAROMETER REPORTS

At the time of the meeting, the historic sales tax report was not available.

Mrs. Bellows presented the December 2023 Economic Barometer Report and reported the following:

1. New residential permits were down about 59% compared to December 2022 and down about 39% on the YTD. Commercial and industrial permits were down approx. 44% compared to this time last year and up about 72% on the YTD. The most notable permit was for a new clinic at the Center for Family Medicine valued at \$1.5 million.
2. The city is up 297 water customers from last December but down one customer from last month.
3. Sales tax increased approx. 23% compared to December 2022 and about 19% on the YTD.
4. Grayson County's months supply of housing inventory held at 4.3 months through October and November.
5. Sherman's unemployment was 3.4% in November, down from 3.8% in October.

DISCUSS AND CONSIDER APPROVAL OF RESOLUTION NO. SEDCO-2024.01 (ARTICLES OF INCORPORATION AMENDMENT)

Approving an amendment to the Articles of Incorporation of the Sherman Economic Development Corporation, a Type A economic development corporation, operating pursuant to Chapter 504 of the Texas local government code, to increase the number of members of the Board of Directors to seven (7) total members from the current number of five (5) members; and providing for an immediate effective date.

Motion to approve Resolution No. SEDCO-2024.01 was made by Ms. Utter and seconded by Dr. Hambrick. Motion was approved unanimously.

DISCUSS AND CONSIDER APPROVAL OF RESOLUTION NO. SEDCO-2024.02 (SEDCO BYLAWS AMENDMENT)

Approving an amendment to the Bylaws of the Sherman Economic Development Corporation, a Type A

economic development corporation, operating pursuant to Chapter 504 of the Texas local government code, to increase the number of members of the Board of Directors from five (5) to seven (7) total members serving three (3), three-year (3-year) terms; and providing for an immediate effective date.

Motion to approve Resolution No. SEDCO-2024.02 was made by Mr. Brumm and seconded by Mr. Bandemir. 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
 2. Sherod Dunman Survey, Abstract 329, Southeast corner of Howe & Dorsett Dr, 5.23 ac
- c. 551.074 (Personnel Matters)
- d. 551.087 (Business Prospect/Economic Development)
 1. Shermanator, Wrap, EZ, CT, Lasso RFI, Vulcan, Signal Site, Ice House, YoYo

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 12:02 p.m.

CONSIDER APPROVAL OF THE FIRST AMENDMENT TO AMENDED AND RESTATED SALES CONTRACT WITH HPI ACQUISITION COMPANY, LLC

A first amendment to the amended and restated sales contract made effective December 20, 2023 by and between Sherman Economic Development Corporation and HPI Acquisition Company, LLC to extend the Inspection Period within the contract to end on February 20, 2024.

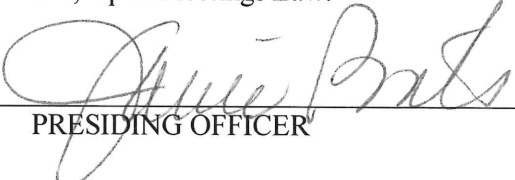
Motion to approve the First Amendment to Amended and Restated Sales Contract with HPI Acquisition Company, LLC was made by Ms. Utter and seconded by Dr. Hambrick. Motion was approved unanimously.

ADJOURNMENT

The meeting was adjourned at 12:03 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