

**SHERMAN ECONOMIC DEVELOPMENT CORPORATION  
MINUTES OF THE BOARD OF DIRECTORS  
ON FEBRUARY 14, 2023  
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 14, 2023, 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 MEMBERS PRESENT: Mayor Plyler, Mr. Robby Hefton, Mr. Terrence Steele, Mr. Shawn Teamann, Mr. Tyson Bennett

STAFF PRESENT: Mr. Kent Sharp, Mrs. Ashton Bellows

STAFF ABSENT: Mrs. Shannon Blake

GUESTS PRESENT: Mr. Jeff Moore, Mrs. Mary Lawrence, Mr. Michael Hutchins

**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.

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 Ms. Utter and seconded by Mr. Bandemir to approve the Regular Scheduled Meeting Minutes of January 10, 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 December 31, 2022 and reported the following:

- Cash – SEDCO Checking: \$ 2,296,391.69
- Accounts Payable: \$ 24,823.47
- Fund Balance: \$ 16,288,563.45
- Revenues Over/Under Expenses: \$ 1,298,272.60
- Total Liabilities, Equity and Current Surplus (Deficit): \$ 17,611,659.52
- Revenue Total: 25.81%
- Expense Total: 7.07%

On the Anomalies Report, Mr. Sharp noted the Luncheons & Meetings account was recorded as 111.91% used and that was due to the meal for the City of Sherman employee Christmas party. On the Commitments Report, Mr. Sharp reported two projects that expired on December 31, 2022 which included Emerson Automation Solutions Final Control and Eternity Technologies, Inc.

Motion was made by Mr. Bandemir and seconded by Mr. Brumm to approve the financial reports for the month ending December 31, 2022. Motion was approved unanimously.

Mrs. Lawrence presented the Investment Report for Quarter Ending December 31, 2022 and reported the portfolio book value and market value were approximately \$15.3 million. Of this amount, \$3.0 million was held in a Local Government Investment Pool (LGIP), \$6 million was held in Certificates of Deposit (CD), and \$6.3 million was held in an FDIC insured investment account. Activity during the quarter included interest earned on the investments, a CD maturity of \$1.5 million, and a CD deposit of \$3.0 million. The weighted average yield on the

portfolio was 3.40%, 102 basis points below the three-month Constant Maturity Treasury Index of 4.42%, and 148 basis points above the previous quarter. The weighted average maturity for the portfolio increased from 161 days at September 30, 2022 to 187 days at December 31, 2022.

Motion to approve the SEDCO Investment Report for quarter ending December 31, 2022, was made by Ms. Utter and seconded by Dr. Hambrick. Motion was approved unanimously.

#### **SALES TAX AND ECONOMIC BAROMETER REPORTS**

Mr. Sharp reported a 17.91% cumulative year-to-date sales tax for the month of February.

Ms. Bellows presented the January 2023 Economic Barometer Report and reported the following:

- New residential permits were down 74%, and commercial and industrial permits were down 25% compared to January 2022. There was one new multi-family permit for a 276-unit apartment complex on OB Groner Road.
- The city was up 372 customers from last January.
- January's sales tax saw a 34% increase.
- In December, Grayson County's months supply of housing inventory was 3.6 months, down from 3.8 months in November.
- Sherman's unemployment rate increased from 3.3% in November to 3.4% in December.

#### **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)
  1. Ineligible Section 457(f) Deferred Compensation Plan for Tax Exempt and Governmental Organizations
  2. Supplemental Compensation Agreements for Kent Sharp and Ashton Bellows
- d. 551.087 (Business Prospect/Economic Development)
  1. Wrap, EZ, Boston, Shermanator, Ready Texas, Blue 22, Yoyo, King

The open meeting recessed in executive session at 11:40 a.m.

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

Mrs. Bates reconvened the open meeting at 12:22 p.m.

#### **CONSIDER APPROVAL OF THE INELIGIBLE SECTION 457(F) DEFERRED COMPENSATION PLAN FOR TAX EXEMPT AND GOVERNMENTAL ORGANIZATIONS AND THE SUPPLEMENTAL COMPENSATION AGREEMENTS FOR KENT SHARP AND ASHTON BELLOWS**

Motion to approve the Ineligible Section 457(f) Deferred Compensation Plan for Tax Exempt and Governmental Organizations and the Supplemental Compensation Agreements for Kent Sharp and Ashton Bellows was made by Mr. Bandemir and seconded by Mr. Brumm. Motion was approved unanimously.

#### **CONSIDER APPROVAL OF RESOLUTION NO. SEDCO-2023.06 (Yoyo)**

Resolution No. SEDCO-2023.06: A resolution authorizing and approving a real estate sales contract, right of first refusal, and right of repurchase for the sale and conveyance of approx. 10.308 acres at the corner of Howe Drive and Dorsett Drive to HPI Acquisition, LLC.

Motion to approve Resolution No. SEDCO-2023.06 was made by Mr. Brumm and seconded by Mr. Bandemir. Motion was approved unanimously.

#### **ADJOURNMENT**

The meeting was adjourned at 12:25 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