

**SHERMAN ECONOMIC DEVELOPMENT CORPORATION  
MINUTES OF THE BOARD OF DIRECTORS  
ON JUNE 13, 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 June 13, 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 Mr. Robby Hefton, Mr. Shawn Teamann, Dr. Tyson Bennett, Mayor  
MEMBERS PRESENT: David Plyler

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

STAFF ABSENT: None

GUESTS PRESENT: Mr. Jeff Moore, Mr. Michael Hutchins

**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.

**DISCUSS AND CONSIDER APPROVAL OF THE FOLLOWING MINUTES**

Motion was made by Mr. Bandemir and seconded by Mr. Brumm to approve the Regular Scheduled Meeting Minutes of May 9, 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 April 30, 2023, and reported the following:

- Cash – SEDCO Checking: \$ 3,713,991.76
- Accounts Payable: \$ 10,215.32
- Fund Balance: \$ 16,288,563.45
- Revenues Over/Under Expenses: \$ 2,937,605.00
- Total Liabilities, Equity and Current Surplus (Deficit): \$ 19,236,383.77
- Revenue Total: \$497,720.02

- Expense Total: \$90,582.15

On the Anomalies Report, Mr. Sharp noted that Overtime increased to 97.35% used due to overtime accrued by Ms. Day to attend the Sherman City Council meeting; Other Supplies increased to 201.51% used due to the purchase of seasonal outdoor plants and planters; Dues & Licenses increased to 87.87% used due to payment of IEDC annual membership dues; Other Services & Charges increased to 173.90% used due to payment for City Services and Adobe annual subscription; and Professional Services increase to 97.08% used due to legal services and legislative consulting fees.

On the Commitments Report, Mr. Sharp reported the paid year-to-date figures including incentives which totaled \$125,522 and other commitments totaling \$283,028, bringing the overall total paid year-to-date as of April 30, 2023 to \$408,550.

Motion was made by Dr. Hambrick and seconded by Ms. Utter to approve the financial reports for the month ending April 30, 2023. Motion was approved unanimously.

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

On the Sales Tax Report, Mr. Sharp reported an 18.72% increase for the month of May and a 24.08% increase in June with a 20.74% cumulative year-to-date.

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

1. New residential permits were down approx. 35% compared to May 2022. There was one new multi-family permit for Hickory Hill Apartments which will include 348 units on West Lamberth Road. The increase to residential additions and alterations continues due to roof permits. Commercial and industrial permits were up approx. 85% from May 2022. The most notable of these was for the construction of the Quikverse gas station at 6121 N Hwy 75 valued at \$1.5 million.
2. The city is up 346 water customers from last May.
3. May's sales tax saw an 18.72% increase compared to May 2022 and an approx. 20% increase on the YTD.
4. In April, Grayson County's months supply of housing inventory was 3.0 months, down from 3.1 months in March.
5. Sherman's unemployment rate decreased from 4.2% in March to 3.6% in April.

### **WOMO UPDATE**

Mrs. Blake provided an update regarding the success of the WOMO (Supporting Sherman Women-Owned and Minority-Owned Businesses) small group breakout sessions. The most recent breakout session was hosted by Ms. Nila Patel with three WOMO committee members in attendance including Ms. Gail Utter, Mrs. Courtney Mitchell, and Mrs. Casie Rivas. Mrs. Blake reported plans to conduct a marketing workshop for WOMO businesses and to host an annual event in January or February of 2024.

### **LEGISLATIVE UPDATE**

Mr. Sharp reported that HB 5, now known as Chapter 403, the bill proposed to replace Chapter 313 was approved. He noted that the maximum tax abatement allowed is now limited to 50%, and companies will

now be required to purchase a performance bond. Mr. Sharp also reported that SB 1419, while approved in the Senate, ultimately died in the House of Representatives. Mr. Sharp shared that an approx. \$700 million trustee account was set up for the semiconductor industry; however, no parameters had been set for the allocation of these funds at this time.

**DISCUSSION ON UPDATING THE APPLICATION FOR FINANCIAL ASSISTANCE TO INCLUDE A SECTION ON COMMUNITY SUPPORT AND OUTREACH**

Mr. Sharp proposed that a new section be added to the application for financial assistance regarding community support and outreach and opened to the board for discussion. He noted that the goal of the addition to the application is to encourage industry partners to be active community partners and to give back to local non-profit organizations. The SEDCO Board requested formal verbiage be submitted at the next board meeting for review.

**DISCUSSION OF PROPOSED FY 23-24 SEDCO BUDGET**

Mr. Sharp presented the proposed FY 2023-2024 SEDCO budget summary:

SUMMARY									
<b>Revenues</b>									
Sales Tax 4A - SEDCO	60204	\$ 5,509,655	\$ 5,509,654	\$ 4,811,863	\$ 6,415,816	\$ 906,162	\$ 6,500,000	\$ 990,346	
Interest Earned	66001	\$ 103,071	\$ 150,000	\$ 360,851	\$ 613,836	\$ 463,836	\$ 652,745	\$ 502,745	
Miscellaneous Revenue	68010	\$ -	\$ 954,818	\$ -	\$ 1,762,675	\$ 807,857	\$ 954,818	\$ -	
<b>TOTAL REVENUES</b>		<b>\$ 5,612,727</b>	<b>\$ 6,614,472</b>	<b>\$ 5,172,714</b>	<b>\$ 8,792,327</b>	<b>\$ 2,177,855</b>	<b>\$ 8,107,563</b>	<b>\$ 1,493,091</b>	
<b>Expenses</b>									
Personnel Expenses TOTAL	81000	\$ 525,634	\$ 579,285	\$ 303,938	\$ 553,307	\$ (25,958)	\$ 584,445	\$ 5,180	
Supplies TOTAL	82000	\$ 27,019	\$ 13,500	\$ 3,005	\$ 3,880	\$ (9,620)	\$ 14,500	\$ 1,000	
Maintenance and Repairs TOTAL	83000	\$ 7,319	\$ 8,580	\$ 3,387	\$ 15,617	\$ 7,037	\$ 15,580	\$ 7,000	
Utilities and Communications TOTAL	84000	\$ 12,715	\$ 10,400	\$ 4,516	\$ 8,637	\$ (1,783)	\$ 10,000	\$ (400)	
Contractual or Sundry Services TOTAL	85000	\$ 837,128	\$ 3,607,924	\$ 579,552	\$ 1,627,057	\$ (1,980,867)	\$ 2,845,443	\$ (762,481)	
Debt Service TOTAL	86000	\$ 602,892	\$ 566,056	\$ 283,028	\$ 566,056	\$ -	\$ 1,017,985	\$ 451,929	
Capital Expenses TOTAL	88000	\$ 1,113,238	\$ 1,000,000	\$ 18,675	\$ 1,118,875	\$ 118,875	\$ 2,500,000	\$ 1,500,000	
<b>TOTAL EXPENSES</b>		<b>\$ 3,125,945</b>	<b>\$ 5,785,725</b>	<b>\$ 1,196,110</b>	<b>\$ 3,893,229</b>	<b>\$ (1,892,496)</b>	<b>\$ 6,987,953</b>	<b>\$ 1,202,228</b>	
<b>NET INCOME (LOSS)</b>		<b>\$ 2,486,781</b>	<b>\$ 828,747</b>	<b>\$ 3,976,603</b>	<b>\$ 4,899,098</b>	<b>\$ 4,070,351</b>	<b>\$ 1,119,610</b>	<b>Surplus or (Deficit) Amount</b>	
<b>CASH &amp; INVESTMENTS ENDING BALANCE</b>		<b>\$ 13,855,745</b>	<b>\$ 14,684,492</b>	<b>\$ 17,832,349</b>	<b>\$ 18,754,843</b>	<b>\$ 19,874,453</b>			

**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. William Martin Survey, Abstract 765, southeast corner of Progress Park V
  - 3. Apron extensions along Progress Dr and Howe Dr
- c. 551.074 (Personnel Matters)
  - 1. Discussion of Staff
- d. 551.087 (Business Prospect/Economic Development)
  - 1. Wrap, EZ, Shermanator, Yoyo, Alpha Omega, Bowling, Belushi, Mayflower, Zion

The open meeting recessed in executive session at 12:10 p.m.

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

Mrs. Bates reconvened the open meeting at 12:27 p.m.

**CONSIDER APPROVAL OF RESOLUTION NO. SEDCO-2023.15 (HOWE & PROGRESS  
DRIVE APRONS)**

Resolution No. SEDCO-2023.15: A resolution authorizing an agreement for civil engineering and surveying services with RLG Consulting Engineers for the design plan for construction of an approximate 1,000' apron on Progress Drive and an approximate 1,500' apron on Howe Drive. The purpose of the road widening is to accommodate an additional 10-12 semi-trucks on each apron to alleviate congestion of truck traffic on Howe Drive from the existing industries and to provide space for future truck traffic from new industries locating in Progress Park.

Motion to approve Resolution No. SEDCO-2023.15 was made by Ms. Utter and seconded by Mr. Bandemir. Motion was approved unanimously.

**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.

  
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PRESIDING OFFICER