

**SHERMAN ECONOMIC DEVELOPMENT CORPORATION  
MINUTES OF THE BOARD OF DIRECTORS  
ON JULY 13, 2021  
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 July 13, 2021 at 11:30 a.m.

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

MEMBERS ABSENT: None

EX OFFICIO MEMBERS PRESENT: Mr. Robby Hefton, Dr. David Hicks, Mr. Shawn Teamann

EX OFFICIO MEMBERS ABSENT: Mayor David Plyler

STAFF PRESENT: Mr. Kent Sharp, Mrs. Ashton Bellows, Ms. Brandy Washington

STAFF ABSENT: None

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

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

Mrs. Bates called the meeting to order at 11:34 a.m., declared a quorum present, meeting declared open.

The invocation was given by Mr. Sharp.

Mrs. Bates asked about J.P. Hart Lumber Plant Manager Duane Sanders. Mr. Sharp informed the board he's doing better and that he had a major surgery.

**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. Worrell to approve the Regular Scheduled Board Meeting minutes of June 8, 2021. Motion was approved unanimously.

**DISCUSS AND CONSIDER APPROVAL OF THE FOLLOWING FINANCIAL REPORTS**

Mr. Sharp presented the Balance Sheet, Budget Report, and Commitments for the month ending May 31, 2021 and reported the following:

- Cash – SEDCO Checking: \$2,533,833.70
- Accounts Payable: \$4,822.12
- Fund Balance: \$12,093,969.87
- Revenues Over/Under Expenses: \$840,175.86
- Total Liabilities, Equity and Current Surplus (Deficit): \$12,938,967.85
- Revenue Total: 92.18%
- Expense Total: 49.91%

Motion was made by Mr. Bandemir and seconded by Ms. Utter to approve the financial reports for the month ending May 31, 2021. Motion was approved unanimously.

**SALES TAX AND ECONOMIC BAROMETER REPORTS**

Mr. Sharp reported the July sales tax as \$389,002.67, a 13.89% increase compared to July 2020. He also reported the Cumulative YTD as 13.39%.

Mrs. Bellows presented the June 2021 Economic Barometer Report and reported the following:

- New residential permits dropped 44% compared to June 2020 and saw just over a 3% decrease on the YTD. However, commercial and industrial permits jumped 150% compared to June 2020 and increased over 30% on the YTD. The most notable of these was a permit valued at \$560,000 for the construction of an addition to the Child & Family Guidance Center
- The city is up 146 water customers from this time last year.

- Grayson County's month's supply of housing inventory saw another slight increase from 1.3 months in April to 1.4 months in May.
- Sherman's unemployment rate in May was 5%, down from 5.1% in April.

Mr. Sharp referred to the drop in housing supply and asked if the realtors were still seeing bidding wars on homes. Mr. Hefton said he expects the housing supply to rise by the end of the year but noted how the rain has slowed down development. Mr. Teamann said lots of new housing lots are coming available.

**DISCUSSION OF THE PROPOSED FY 2021-2022 SEDCO BUDGET AND PROGRAM OF WORK**

Mr. Sharp presented the proposed FY 2021-2022 Program of Work and noted that the target industries and goals have been carried over from FY 2020-2021 with no changes. Mrs. Bates commented on how call centers are still in business but are shifting more to remote work in the presence of COVID-19.

Mrs. Bellows said the only two action items that have been added and impact the budget include 1) the partnership with Workforce Solutions Texoma and the Denison Development Alliance to help fund two Career Education Specialists positions for the student workforce development programs and 2) the continuation of a partnership that started in FY 20-21 with the Center for Workplace Learning to offer no-cost training to full-time employees of Sherman-based, Type A businesses.

Mr. Sharp presented the proposed FY 2021-2022 SEDCO Budget and noted that the budget includes six months of current actual expenses and six months of proposed actual expenses through then end of the fiscal year. He reported on the following budget summary:

<b>SEDCO Proposed FY 21-22 Budget</b>		ACCOUNT	ACTUAL	APPROVED	CURRENT	PROPOSED	VARIANCE	PROPOSED	FY21	VARIANCE TO
	850-9850-		FY 19-20	FY 20-21	FY 20-21	fiscal year end	PROPOSED TO	FY 21-22	APPROVED FY20	APPROVED FY20
<b>SUMMARY</b>										
<b>Revenues</b>										
Sales Tax 4A - SEDCO	60204	\$ 4,267,922	\$ 4,055,000	\$ 2,334,175	\$ 4,665,104	\$ 610,104	\$ 4,500,000	\$ 445,000		
Interest Earned	66001	\$ 147,271	\$ 167,444	\$ 24,546	\$ 49,092	\$ (118,352)	\$ 58,500	\$ (108,944)		
Miscellaneous Revenue	68010	\$ -	\$ -	\$ 695,810	\$ 695,810	\$ 695,810	\$ -	\$ -		
<b>TOTAL REVENUES</b>		<b>\$ 4,415,192</b>	<b>\$ 4,222,444</b>	<b>\$ 3,054,531</b>	<b>\$ 5,410,006</b>	<b>\$ 1,187,562</b>	<b>\$ 4,558,500</b>	<b>\$ 336,056</b>		
<b>Expenses</b>										
Personnel Expenses TOTAL	81000	\$ 398,957	\$ 365,320	\$ 184,210	\$ 370,904	\$ 5,584	\$ 346,385	\$ (18,935)		
Supplies TOTAL	82000	\$ 9,436	\$ 18,650	\$ 4,880	\$ 10,141	\$ (8,509)	\$ 13,800	\$ (4,850)		
Maintenance and Repairs TOTAL	83000	\$ 3,600	\$ 6,800	\$ 2,940	\$ 360	\$ (6,240)	\$ 5,940	\$ (660)		
Utilities and Communications TOTAL	84000	\$ 10,536	\$ 13,037	\$ 8,134	\$ 12,764	\$ (273)	\$ 13,037	\$ -		
Contractual or Sundry Services TOTAL	85000	\$ 1,009,701	\$ 3,297,385	\$ 467,853	\$ 671,177	\$ (2,626,208)	\$ 1,091,827	\$ (2,205,558)		
Debt Service TOTAL	86000	\$ 651,137	\$ 655,027	\$ 327,513	\$ 655,027	\$ -	\$ 602,892	\$ (52,135)		
Capital Expenses TOTAL	88000	\$ 1,665,315	\$ 1,760,000	\$ 2,170,170	\$ 2,215,970	\$ 455,970	\$ 7,000,000	\$ 5,240,000		
<b>TOTAL EXPENSES</b>		<b>\$ 3,748,682</b>	<b>\$ 6,116,019</b>	<b>\$ 3,165,701</b>	<b>\$ 3,936,343</b>	<b>\$ (2,179,676)</b>	<b>\$ 9,073,881</b>	<b>\$ 2,957,862</b>		
<b>NET INCOME (LOSS)</b>										<b>Surplus or (Deficit) Amount</b>
		<b>\$ 666,510</b>	<b>\$ (1,893,575)</b>	<b>\$ (111,170)</b>	<b>\$ 1,473,663</b>	<b>\$ 3,367,238</b>	<b>\$ (4,515,381)</b>			
<b>CASH &amp; INVESTMENTS ENDING BALANCE</b>										
		<b>\$ 12,157,228</b>	<b>\$ 10,263,654</b>	<b>\$ 12,046,059</b>	<b>\$ 13,630,891</b>	<b>\$ 13,630,891</b>	<b>\$ 9,115,510</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. Cube
  2. Industrial Space
  3. G-0765 Martin William A-G0765, Acres 71.499, G-0765 Martin William A-G0765, Acres 49.1, G-0765 Martin William A-G0765, Acres 0.96
- c. 551.074 (Personnel Matters)
  1. CEO Evaluation and Contract
- d. 551.087 (Business Prospect/Economic Development)
  1. Legacy, Shermanator, Pink, Wrap, Thumbs Up, Armadillo, Independence, Sunrise-D, Steady Rain

The open meeting recessed in executive session at 11:56 a.m.

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

Mrs. Bates reconvened the open meeting at 12:54 p.m. and presented Resolution No. SEDCO-2021.08 authorizing the execution of a real estate sales contract with Marjorie Copeland, Stephen Anderson, Et. Al., and any and all documents necessary for the acquisition of approximately 71.499-acres located south of Progress Park VII off Flanary Road.

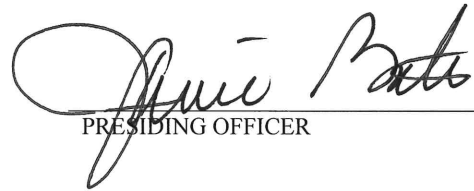
Motion was made by Ms. Utter and seconded by Mr. Brumm to approve Resolution No. SEDCO-2021.08. Motion was approved unanimously.

**ADJOURNMENT**

The meeting was adjourned at 12:55 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