

**SHERMAN ECONOMIC DEVELOPMENT CORPORATION  
MINUTES OF THE BOARD OF DIRECTORS  
ON AUGUST 13, 2019  
AT 7:30 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 August 13, 2019 at 7:30 A.M.

MEMBERS PRESENT: Mr. Tom Shields, Mrs. Janie Bates, Mr. Scott Bandemir

MEMBERS ABSENT: Mr. Brad Douglass, Ms. Gail Utter

EX OFFICIO MEMBERS PRESENT: Mayor David Plyler, Mr. Willie Steele, Mr. Shawn Teamann, Dr. David Hicks

EX OFFICIO MEMBERS ABSENT: Mr. Robby Hefton

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

STAFF ABSENT: None

GUESTS PRESENT: Mr. Brandon Shelby, Mrs. Mary Lawrence, Mr. Michael Hutchins

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

Mr. Shields called the meeting to order at 7:30 a.m., declared a quorum present, meeting declared open. The invocation was given by Mr. Sharp.

**CONSIDER FOR APPROVAL THE MINUTES FOR THE FOLLOWING MEETINGS**

Motion was made by Mrs. Bates and seconded by Mr. Shields to approve the Regular Scheduled Board Meeting minutes of July 9, 2019. Motion was approved unanimously.

**FINANCIALS**

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

- Total assets are approx. \$10.8 million.
- The accounts payable is \$16,935.08.
- There is a deficit of -\$118,607.24.
- Revenue is at 78.26% used.
- Tools is over at 157.22% used.
- Travel is over at 113.34% used due to increased travel with Team Texas and the Industrial Asset Management Council (IAMC).
- Total expenses are at 42.99% used.
- The incentive payments for Emerson, GlobiTech, and Modular Power Solutions will roll over to the FY 2019-2020 budget as the projects did not complete in this fiscal year.

Motion was made by Mr. Bandemir and seconded by Mrs. Bates to approve the financial reports for the month ending June 30, 2019. Motion was approved unanimously.

Mrs. Lawrence presented the Investment Report for quarter ending June 30, 2019 and reported the following:

- The portfolio book value and market value was approx. \$9.3 million. Of this amount, \$2.9 million was held in the Local Government Investment Pool (LGIP), \$3 million was held in Certificates of Deposit (CD), and \$3.4 million was held in an FDIC insured investment account. The only changes during the quarter were due to interest earnings.
- The weighted average yield was 2.54%, and the weighted average maturity increased from 41 days at March 31, 2019 to 43 days at June 30, 2019.

Motion was made by Mrs. Bates and seconded by Mr. Bandemir to approve the Investment Report for the month ending June 30, 2019. Motion was approved unanimously.

Mrs. Lawrence presented the SEDCO Investment Policy (revised August 2019) and noted that the policy changes once every two years. She said only two changes were made including section 7.1 Certificates of Deposit and the Approved List of Broker/Dealers and Financial Institutions.

Motion was made by Mrs. Bates and seconded by Mr. Bandemir to approve the SEDCO Investment Policy (revised August 2019). Motion was approved unanimously.

#### **HISTORICAL SALES TAX & ECONOMIC BAROMETER REPORTS**

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

- The July payment was \$329,740.87 which was down -27.27% from July 2018. The cumulative year-to-date through July was 3.63%.
- The August payment was \$382,628.76 which was down -8% from August 2018. The cumulative year-to-date through August was 2.33%.

Mrs. Lawrence said the 2018 payments were much higher due to the Finisar project and that is the reason for the current decrease. She also noted the August payment reflects the first month of sales tax from Schulman's Movie Bowl Grille.

Mr. Teamann asked how much was dispersed between the City of Sherman and SEDCO. Mrs. Lawrence said 80% goes to the City of Sherman, and SEDCO received approx. \$2,000.

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

- Total city building permits saw a 4.42% increase from YTD 2018.
- Utility customers increased 1.54% from YTD 2018.
- The Grayson County months supply of inventory as of June 2019 was 4.5 months.
- Sherman's unemployment rate as of June 2019 was 3.1%.

#### **CONSIDER APPROVAL OF THE 2019-2020 PROGRAM OF WORK**

Mr. Sharp presented the 2019-2020 Program of Work and reported that the goals are the same as the previous year's Program of Work. When reviewing Goal D, he noted the lack of existing building space in Sherman.

Motion was made by Mrs. Bates and seconded by Mr. Bandemir to approve the 2019-2020 Program of Work. Motion was approved unanimously.

#### **2018-2019 PROGRAM OF WORK RESULTS**

Mrs. Jones presented the 2018-2019 Program of Work Results and provided a summary of the actions listed under each of the five goals.

#### **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) – Fallon Extension, Roads, Path

**551.074** (Personnel Matters)

**551.087** (Business Prospect/Economic Development) – Pyrex, Wildcat, Brewmaster, Calcite Mineral, Sprinkle, Blue Eagle, Forecast, Greenleaf, High-Line, Odyssey, Scout 2019, Strong Arm, Summit, Participate

Before executive session started, Mr. Shields signed the Form CIS Local Government Officer Conflicts Disclosure Statement and excused himself from executive session. Mrs. Bates opened executive session at 7:55 a.m.

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

Mrs. Bates reconvened the open meeting at 8:45 a.m.

#### **CONSIDER APPROVAL OF RESOLUTION NO. SEDCO-2019.02**

Mr. Sharp recommended the approval of Resolution No. SEDCO-2019.02 with Eternity Technologies, Inc. which allows SEDCO to draft an Agreement for Financial Assistance (AFFA). The resolution states SEDCO will grant

an incentive offer of five percent of Eternity Technologies, Inc.'s \$3.8 million capital investment at the 2720 Fallon Drive facility, and Eternity Technologies, Inc. will create 46 new jobs.

Motion to approve Resolution No. SEDCO-2019.02 with Eternity Technologies, Inc. was made by Mr. Bandemir and seconded by Mrs. Bates. Mr. Shields abstained.

**ADJOURNMENT**

The meeting was adjourned at 8:47 a.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